

Incentive Stock Option (ISO)

An incentive stock option (ISO) is a stock option with a tax benefit, granted only to employees and confer a U.S. tax benefit. ISOs are also sometimes referred to as incentive share options or Qualified Stock Options by IRS

1. Incentive stock options can only be granted to employees
2. The option isn't transferable, except at death
3. No tax impact upon grant and vesting and no ordinary income upon exercise

General tax information is provided here for educational and informational purposes only and does not constitute tax advice. This information should not replace a consultation with a professional tax advisor regarding an individual's specific tax situation.