	Incentive Stock Options (IS0) aka Qualified Stock Options	Nonqualified Stock Options (NQSO or NSO)	Restricted Stock Units (RSUs)
What it is	Buy your company's stock over a vesting period (at a designated price). Employees or recently-former employees only.	Buy your company's stock over a vesting period (at designated price). Gets taxed as you exercise, which makes it nonqualified for favorable tax treatment.	Get your company's stock without paying for it, though there are performance and/ or time requirements.
When are you taxed	If and when you sell the stock at a gain. Also, sometimes in the year you exercise and hold if you are subject to the Alternative Minimum Tax (AMT).	When you exercise/ buy the stock and when you sell the stock. You may need to or want to sell shares upon exercise to cover the tax.	When you receive the stock and when you sell the stock. You may need to or want to sell shares upon receipt to cover the tax.
Compensation income on W2	No tax withholding on exercise, and no FICA ever (Social Security, Medicare). This is a qualified tax benefit. However, selling too early can bring non-FICA ordinary income and short term rates.	Difference between current price and exercise price (upon exercise). Ex: Current price of $100/ share and option is for $40/ sh. The 60/sh "spread" is added to payroll compensation, with taxes withheld on that (federal, state, FICA, et al).	Any shares received at their current value are taxed as compensation.
What is the capital gain/ loss component?	The difference between exercise price and how much you eventually sell the shares for.	The difference between the FMV upon exercise and how much you eventually sell it for.	The difference between the FMV upon vesting/ receipt and how much you eventually sell it for.
What you can do to minimize taxes	Hold the stock at least 1 year from exercise AND 2 years from the grant date to maximize lower/ long term capital gains rates.	If you exercise, taxes kick in at ordinary rates (i.e. not preferential or capital gains rates) on the spread. However, you can then save tax on the *further* appreciation of shares held by holding long term.	Hold the vested stock long term (at least 1 year) so the capital gain is taxed at a better rate.
What are the Alternative Minimum Tax consequences.	AMT can be assessed by subtracting the option price from the stock value at exercise (aka add"the bargain element" to AMT income). However, AMT tax paid when exercised can also come back in the form of the Alternative Minimum Tax Credit when the stock is actually sold.	No AMT consequences specifically related to this.	No AMT consequences specifically related to this.