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WEALTH MANAGEMENT GROUP

SMART TAX STRATEGIES

BEFORE THE APRIL 2025 DEADLINE

LAST-MINUTE WAYS TO LOWER YOUR 2024 TAX BILL

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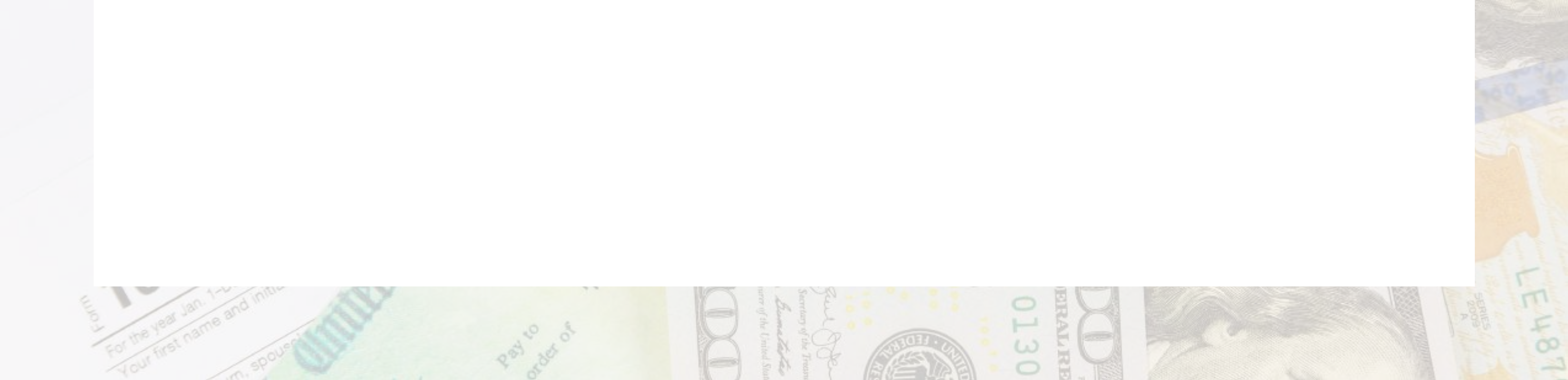

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INTRODUCTION

Taxes don't have to be a burden—if you plan wisely. As the April 15, 2025, tax deadline approaches, there is still time to take action and keep more of your hard-earned money. Whether you're a retiree managing distributions, a high-income earner looking to optimize deductions, or a business owner navigating complex tax rules, strategic planning can make a significant difference in what you owe—or what you keep.

We all understand that tax planning isn't just about filing your return; it's about making informed, strategic decisions that minimize your lifetime tax liability and maximize your financial future. The right moves today can help you reduce tax burdens, grow wealth more efficiently, and avoid costly penalties—but you have to act before it's too late.

This guide will walk you through powerful tax-saving strategies you can implement before the deadline, covering key topics such as:

- Maximizing deductions and credits you may be overlooking
- Tax-efficient investment and retirement withdrawal strategies
- Smart Roth conversions to lock in long-term tax benefits
- Reducing capital gains tax exposure through strategic planning
- Avoiding IRS penalties and red flags that could trigger audits

By the time you finish this guide, you'll have a clearer understanding of the actionable steps you can take to lower your tax bill, protect your wealth, and make smarter financial moves before April 15th.

Tax rules are constantly changing, and the difference between a rushed tax return and a proactive tax plan can be thousands—or even tens of thousands—of dollars in unnecessary taxes. Let's make sure you're on the right side of that equation.

Ready to take control of your tax strategy? Let's dive in.

Unsure about the best tax strategies for your situation? Our team of fiduciary financial advisors and tax professionals is here to help.
Schedule a Complimentary Tax-Planning Discovery Meeting today.

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WHY SMART TAX PLANNING MATTERS BEFORE THE DEADLINE

Every year, millions of Americans rush to file their taxes in the final weeks before the April deadline, hoping to minimize what they owe or maximize their refund. But here's the reality: by the time tax season arrives, many of the best opportunities to reduce your tax bill are already gone.

Tax planning isn't just about compliance—it's about strategy. The difference between someone who simply files their taxes and someone who plans ahead can be thousands, if not tens of thousands, of dollars in unnecessary taxes over their lifetime. The good news? You still have time to act before the April 15, 2025, deadline.

THE HIGH COST OF PROCRASTINATION

Waiting until the last minute to think about taxes can lead to costly mistakes, missed deductions, and avoidable penalties. Without a proactive approach, you risk:

- **Overpaying Taxes** – Missing out on last-minute deductions, credits, or tax-efficient investment strategies that could lower your tax liability.
- **Higher Future Tax Bills** – Failing to plan today could mean higher taxes in the future, especially if tax laws change.
- **Unnecessary IRS Scrutiny** – Filing in a hurry increases the chance of errors, which can raise red flags with the IRS.
- **Losing Money to Penalties** – Overlooking estimated tax payments, Required Minimum Distributions (RMDs), or contribution deadlines can result in costly penalties.

TAX PLANNING: A YEAR-ROUND STRATEGY

Many people think tax planning is something you do once a year, right before filing. But the wealthiest and most financially savvy individuals take a different approach—they plan all year long. They structure their income, investments, and retirement withdrawals in ways that minimize tax burdens not just for this year, but for decades to come.

Here's why taking a strategic approach before the deadline matters:

- **You Can Still Lower Your 2024 Taxable Income:** Certain deductions and credits are still available if you act before April 15, such as last-minute IRA contributions, HSA contributions, and strategic charitable giving. These moves could significantly reduce your taxable income.
- **You Can Optimize Your Retirement Tax Strategy:** Are you withdrawing from your accounts in the most tax-efficient way? Roth conversions, tax-free withdrawals, and RMD planning can help protect your savings from excessive taxation.
- **You Can Keep More of Your Investment Gains:** Selling investments at the wrong time can trigger avoidable capital gains taxes. With the right planning, you can strategically harvest losses or defer gains to reduce your tax liability.
- **You Can Avoid IRS Penalties and Red Flags:** Missing deadlines or filing with errors can lead to unnecessary IRS attention. Avoid costly mistakes by understanding what deductions you qualify for and ensuring your filings are accurate.

YOUR NEXT STEPS: TAKE ACTION NOW

The key to smart tax planning is not just what you do, but when you do it. With the April 2025 deadline fast approaching, now is the time to take control of your tax strategy. Waiting until the last minute could cost you money—planning ahead could save you thousands.

In the next chapters, we'll walk you through specific strategies to help you maximize deductions, optimize retirement withdrawals, minimize capital gains taxes, and avoid costly tax pitfalls. Each step you take now is a step toward keeping more of your wealth and securing a stronger financial future.

KEY 2024-2025 TAX LAW CHANGES YOU NEED TO KNOW

Tax laws evolve every year, and staying ahead of these changes is critical to maximizing savings and avoiding unnecessary tax burdens. As we approach the April 2025 deadline, understanding how the latest updates impact your income, retirement savings, and investments can help you make informed financial decisions.

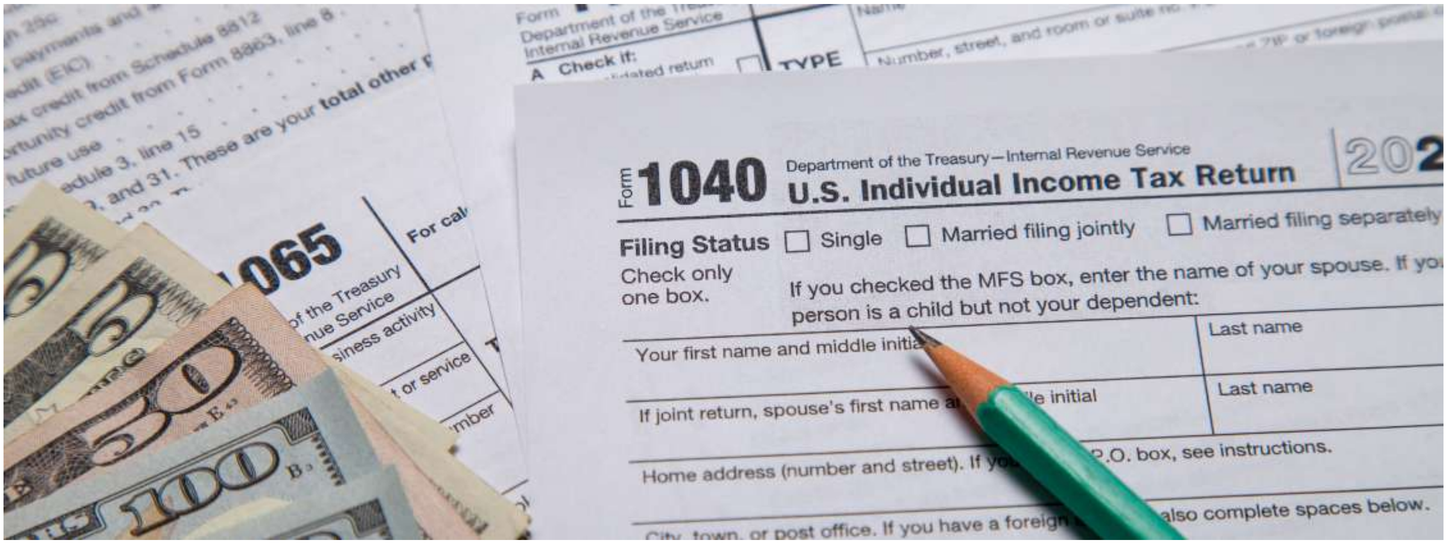
Below, we break down the key 2024-2025 tax law changes that could affect your tax planning strategy.

NEW TAX BRACKETS & DEDUCTIONS

The IRS adjusts tax brackets and standard deductions each year to account for inflation, and 2024 is no exception. While these adjustments help reduce the impact of rising costs, they also affect how much of your income is taxed.

UPDATED 2024 FEDERAL TAX BRACKETS

For tax year 2024 (to be filed by April 2025), the



income thresholds for each tax bracket have increased slightly. Here's a quick look at the new brackets for single and married filing jointly taxpayers:

Tax Rate	Single Filers Income	Married Filing Jointly Income
10%	Up to $11,600	Up to $23,200
12%	$11,601 - $47,150	$23,201 - $94,300
22%	$47,151 - $100,525	$94,301 - $201,050
24%	$100,526 - $191,950	$201,051 - $383,900
32%	$191,951 - $243,725	$383,901 - $487,450
35%	$243,726 - $609,350	$487,451 - $731,200
37%	Over $609,350	Over $731,200

- **Why This Matters:** If you received a raise or additional income in 2024, you may be pushed into a higher bracket. However, with strategic deductions and tax-efficient withdrawals, you may be able to reduce your taxable income and stay in a lower bracket.

HIGHER STANDARD DEDUCTION FOR 2024

The standard deduction has also increased to help offset inflation:

  - **Single filers:** $14,600 (up from $13,850 in 2023)
  - **Married filing jointly:** $29,200 (up from $27,700 in 2023)

- **Why This Matters:** If you typically take the standard deduction instead of itemizing, you'll benefit from a larger tax-free portion of your income. However, for high earners or homeowners with significant mortgage interest, itemizing deductions may still be the better strategy.

RETIREMENT CONTRIBUTION UPDATES (IRA, 401(K), ROTH)

Saving for retirement just got a little easier, thanks to higher contribution limits for tax-advantaged accounts.

2024 CONTRIBUTION LIMITS FOR RETIREMENT ACCOUNTS

Account Type	2023 Limit	2024 Limit	Catch-Up (50+)
401(k), 403(b), 457	$22,500	**$23,000**	Additional $7,500
IRA (Traditional & Roth)	$6,500	**$7,000**	Additional $1,000
SEP IRA	$66,000	**$69,000**	N/A
SIMPLE IRA	$15,500	**$16,000**	Additional $3,500

- **Why This Matters:** Increasing your contributions before April 15, 2025, can lower your taxable income and grow your retirement savings faster. Traditional IRA and 401(k) contributions are tax-deductible, reducing your tax liability for 2024.

ROTH IRA PHASE-OUTS FOR 2024

If you earn above a certain threshold, your ability to contribute directly to a Roth IRA is reduced or eliminated:

  - **Single filers:** Phase-out begins at $146,000; completely phased out at $161,000
  - **Married filing jointly:** Phase-out begins at $230,000; completely phased out at $240,000

- **Why This Matters:** If your income is too high for direct Roth IRA contributions, you may still be able to take advantage of a Backdoor Roth IRA conversion, which allows you to convert traditional IRA funds into a Roth without direct contribution limits.

CAPITAL GAINS & INVESTMENT TAX ADJUSTMENTS

Capital gains taxes apply when you sell investments for a profit. Managing these taxes strategically can significantly impact your long-term wealth.

2024 CAPITAL GAINS TAX BRACKETS

Filing Status	0% Rate	15% Rate	20% Rate
Single	Up to $47,025	$47,026 - $518,900	Over $518,900
Married Filing Jointly	Up to $94,050	$94,051 - $583,750	Over $583,750

- **Why This Matters:** If your taxable income is below $47,025 (single) or $94,050 (married), you may owe 0% in long-term capital gains tax—a major tax advantage. If you expect to fall into a higher bracket in the future, harvesting gains in 2024 could be beneficial.

TAX-LOSS HARVESTING & DEFERRAL STRATEGIES

Smart investors can use these three strategies to offset taxable gains and minimize their investment tax burden:

1. **Tax-Loss Harvesting:** Selling investments at a loss to offset taxable gains from other investments.
2. **Deferring Gains:** Holding onto appreciated assets for over a year to qualify for lower long-term capital gains tax rates.
3. **Qualified Opportunity Zones:** Investing capital gains into designated Opportunity Zone funds for tax deferral and potential tax-free growth.

- **Why This Matters:** Pro-actively managing when and how you sell investments can reduce your tax bill and increase after-tax returns.

WHAT THESE CHANGES MEAN FOR YOU

Understanding the latest tax law changes is only half the battle—the key is knowing how to apply them to your financial situation. With the April 2025 deadline fast approaching, now is the time to:

- Review your income and deductions to see where you can optimize savings.
- Maximize your retirement contributions before the deadline to lower taxable income.
- Strategically manage your investment gains to minimize unnecessary taxes.

In the next chapter, we'll dive into last-minute tax moves you can still make before the deadline to maximize deductions and credits.

Don't leave money on the table.

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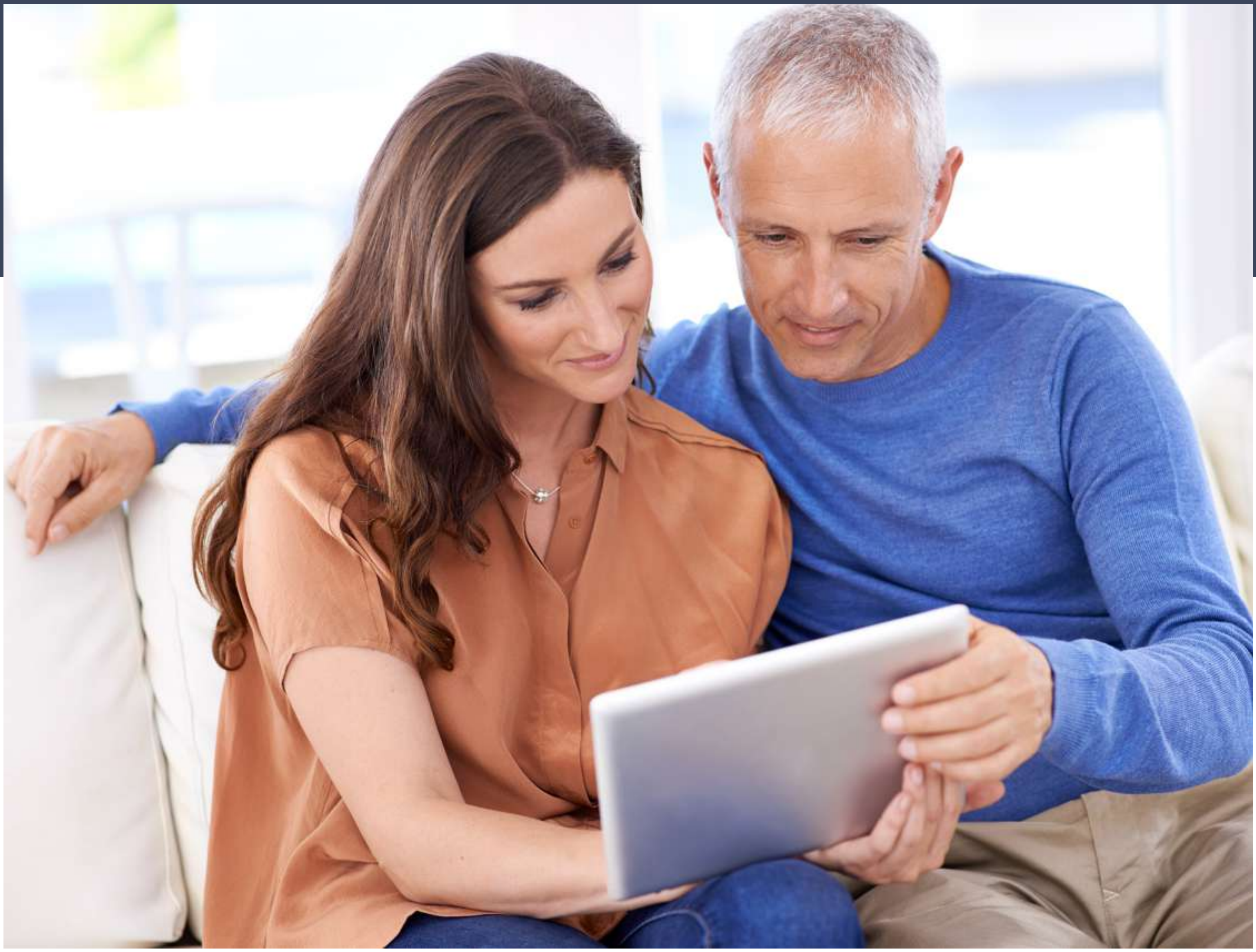
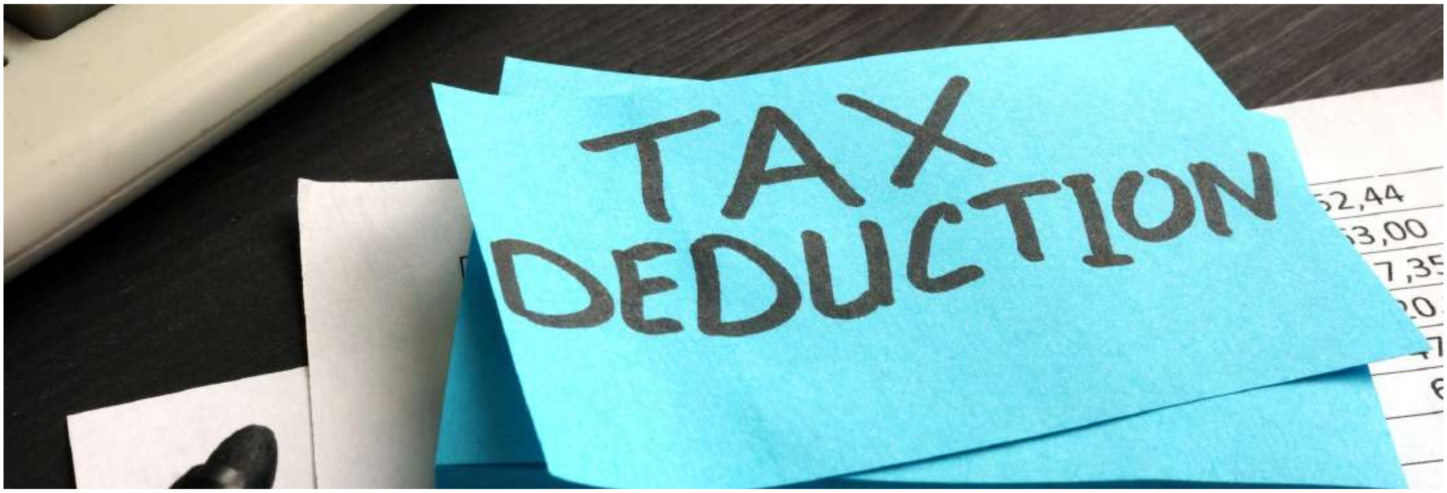


MAXIMIZING DEDUCTIONS & CREDITS BEFORE IT'S TOO LATE

As the April 15, 2025, tax deadline approaches, one of the smartest moves you can make is ensuring you're maximizing every possible deduction and credit. Every dollar you deduct reduces your taxable income, and every credit you claim directly reduces your tax bill—potentially saving you thousands.

Yet, each year, taxpayers leave millions of dollars in unclaimed deductions and credits on the table simply because they don't know they qualify. Don't let that be you. In this chapter, we'll walk you through some of the most overlooked deductions, high-impact charitable giving strategies, and valuable tax credits you can still take advantage of before the deadline.



COMMONLY OVERLOOKED TAX DEDUCTIONS

Many taxpayers assume that if they take the standard deduction, they can't claim additional deductions—but that's not always the case. Whether you itemize or not, here are key deductions you may be missing:

1. RETIREMENT CONTRIBUTIONS (STILL DEDUCTIBLE BEFORE APRIL 15!)

- **Traditional IRA Contributions** – If you're eligible, you can still contribute up to $7,000 ($8,000 if 50+) to a traditional IRA before April 15, 2025, and deduct the contribution from your 2024 taxable income.
- **Self-Employed Retirement Plans** – If you're self-employed, you may still be able to fund a SEP IRA or Solo 401(k) and take a deduction for 2024.

- **Why This Matters:** Even if you already filed, you can amend your return to include a last-minute IRA contribution deduction, potentially lowering your tax bill.

2. HSA CONTRIBUTIONS – A TRIPLE TAX BENEFIT

- If you have a high-deductible health plan (HDHP), you can contribute up to $4,150 (single) or $8,300 (family) to a Health Savings Account (HSA) before April 15, 2025.
- HSA contributions are tax-deductible, grow tax-free, and can be withdrawn tax-free for qualified medical expenses.

- **Why This Matters:** An HSA is one of the most powerful tax-saving tools available, and many people forget to max out contributions before the deadline.

3. STATE & LOCAL TAX (SALT) DEDUCTION

- You can deduct up to $10,000 ($5,000 if married filing separately) in state and local income, property, and sales taxes.
- If you live in a high-tax state, check to see if you've already maxed out this deduction.

- **Why This Matters:** If you made an extra property tax payment or state tax estimate before December 31, 2024, it could be deductible.

4. MORTGAGE INTEREST & HOME-RELATED DEDUCTIONS

- **If you own a home, don't forget deductions for:**
  - Mortgage interest on loans up to $750,000
  - Property taxes (within SALT limits)
  - Mortgage insurance premiums (if eligible)

- **Why This Matters:** If you refinanced or took out a home equity loan in 2024, double-check that you're deducting eligible interest payments.

5. SELF-EMPLOYED DEDUCTIONS

- **Business owners and freelancers can deduct:**
  - Home office expenses (if you use part of your home exclusively for work)
  - Health insurance premiums (if you're self-employed)
  - Business mileage (driving for work-related purposes)

- **Why This Matters:** If you're self-employed and haven't tracked expenses carefully, now is the time to review your records for deductions you may have overlooked.

SMART STRATEGIES FOR CHARITABLE GIVING (QCDS, DONOR-ADVISED FUNDS)

Charitable giving is not just a way to give back—it's also a powerful tax-saving strategy when done correctly. Here are two high-impact ways to maximize your deductions through charitable contributions:

1. QUALIFIED CHARITABLE DISTRIBUTIONS (QCDS) – TAX-FREE GIVING FROM YOUR IRA

- If you're 70½ or older, you can donate up to $105,000 directly from your IRA to a qualified charity.
- This reduces your taxable income and can count toward your Required Minimum Distribution (RMD), avoiding taxes on the withdrawal.

- **Why This Matters:** QCDs allow you to support your favorite charities while reducing your tax burden, making them an excellent strategy for retirees.

2. DONOR-ADVISED FUNDS (DAFS) – FRONT-LOAD DONATIONS FOR BIGGER DEDUCTIONS

- Instead of making smaller donations each year, consider donating a lump sum to a Donor-Advised Fund (DAF).
- You get the full deduction in 2024, but can distribute the funds to charities over time.

- **Why This Matters:** If you're close to the standard deduction threshold, bunching donations into a DAF can help you itemize and maximize your deduction.

3. APPRECIATED STOCK DONATIONS – AVOID CAPITAL GAINS TAXES

- Instead of donating cash, give appreciated stocks or mutual funds to a charity.
- You avoid paying capital gains tax and still get a full deduction for the market value of the stock.

- **Why This Matters:** This strategy is especially beneficial for high-net-worth individuals with large unrealized gains in their portfolios.

TAX CREDITS THAT COULD LOWER YOUR LIABILITY

While deductions lower your taxable income, tax credits directly reduce your tax bill—dollar for dollar. Here are some valuable tax credits you should check for before filing:

1. RETIREMENT SAVER'S CREDIT

- If your adjusted gross income (AGI) is below $76,500 (married) or $38,250 (single), you may qualify for a credit up to $2,000 for contributing to a retirement account.

- **Why This Matters:** This is essentially "free money" for low- to moderate-income earners who contribute to retirement savings.

2. ENERGY-EFFICIENT HOME CREDIT

- If you installed solar panels, energy-efficient windows, heat pumps, or other qualifying improvements, you may qualify for a tax credit of up to 30% of the cost.

- **Why This Matters:** Unlike deductions, this is a direct credit that lowers your tax bill—making home energy upgrades even more valuable.

3. CHILD TAX CREDIT & DEPENDENT CARE CREDIT

- The Child Tax Credit allows parents to claim up to $2,000 per qualifying child.
- The Dependent Care Credit can cover up to $4,000 in childcare expenses for one child ($8,000 for two or more).

- **Why This Matters:** If you're a parent, these credits can significantly reduce the amount you owe the IRS.

FINAL THOUGHTS: DON'T LEAVE MONEY ON THE TABLE

Maximizing your deductions and credits is one of the most effective ways to reduce your tax liability and keep more of your money—but many of these opportunities disappear after April 15, 2025.

- Double-check your eligibility for deductions and credits before filing
- Make last-minute IRA, HSA, and charitable contributions to optimize savings
- Strategically plan your giving and investments to minimize taxes long-term

In the next chapter, we'll explore Retirement & Investment Tax Strategies that can help you manage withdrawals, minimize capital gains, and ensure your wealth is working for you—not the IRS.

Let's keep maximizing your savings.

With smart planning and strategic action, you can keep more of your money, minimize your tax burden, and set yourself up for success. **Schedule a Complimentary Tax-Planning Discovery Meeting today.**

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SCHEDULE NOW

RETIREMENT & INVESTMENT TAX STRATEGIES

Planning for retirement isn't just about saving—it's about making smart decisions on how and when to withdraw your money to minimize taxes and extend your wealth. With the April 2025 tax deadline approaching, now is the time to review your retirement and investment tax strategies to ensure you're keeping more of what you've worked so hard to build.

This chapter covers three key areas to help you maximize your retirement and investment savings:

- **Tax-efficient withdrawal strategies for retirees**
- **Roth conversions and whether you should act before the deadline**
- **Managing capital gains to reduce tax exposure**

Making the right moves now can mean thousands of dollars in savings over your retirement years. Let's dive in.

TAX-EFFICIENT WITHDRAWAL STRATEGIES FOR RETIREES

When you start drawing from your retirement accounts, the order and timing of withdrawals can significantly impact your overall tax bill. A well-planned withdrawal strategy ensures you're not paying more in taxes than necessary while keeping your retirement funds growing.

1. THE TAX-SMART WITHDRAWAL ORDER

The key to minimizing taxes is withdrawing from the right accounts at the right time. A typical tax-efficient withdrawal strategy follows this order:

1. **Taxable accounts first (Brokerage & Savings Accounts)** – Withdraw from these accounts first to take advantage of lower long-term capital gains rates and allow tax-deferred accounts to keep growing.
2. **Tax-deferred accounts next (Traditional 401(k)s, IRAs)** – These withdrawals are taxed as ordinary income, so strategically managing them can help keep you in a lower tax bracket.
3. **Tax-free accounts last (Roth IRAs, Roth 401(k)s)** – Roth withdrawals are completely tax-free, so saving them for later years helps maximize tax-free growth.

- **Why This Matters:** A poor withdrawal strategy can push you into a higher tax bracket, resulting in unnecessary taxes and potentially increased Medicare premiums.

2. REQUIRED MINIMUM DISTRIBUTIONS (RMDS) & HOW TO AVOID PENALTIES

- If you're 73 or older, you must take Required Minimum Distributions (RMDs) from traditional IRAs and 401(k)s.
- Failing to take the correct RMD amount can result in a 50% penalty on the shortfall.

- **Smart Move:** If you don't need your RMD, consider Qualified Charitable Distributions (QCDs) to donate tax-free directly from your IRA, satisfying RMD requirements while reducing taxable income.

ROTH CONVERSIONS: SHOULD YOU ACT BEFORE THE DEADLINE?

A Roth conversion allows you to move money from a Traditional IRA or 401(k) into a Roth IRA, paying taxes now but ensuring tax-free growth and withdrawals in the future.

With potential tax law changes ahead, converting before April 15, 2025, may be a smart move—but is it right for you?

BENEFITS OF A ROTH CONVERSION

- **Tax-free withdrawals in retirement**
- **No Required Minimum Distributions (RMDs)**
- **Hedge against future tax rate increases**
- **Tax-free inheritance for your heirs**

WHO SHOULD CONSIDER CONVERTING BEFORE THE DEADLINE?

- **Low Tax Bracket Years** – If you're in a lower tax bracket now than you expect to be in the future, converting at today's rates could save thousands.
- **Before Required Minimum Distributions Begin** – Converting before age 73 can reduce the size of future RMDs, lowering taxable income.
- **Market Dips** – Converting during a market downturn means paying taxes on a smaller balance and allowing tax-free growth when the market recovers.

ROTH CONVERSION MISTAKES TO AVOID

- **Converting too much at once** – A large conversion can push you into a higher tax bracket, negating the benefits.
- **Not planning for Medicare costs** – Higher income from a Roth conversion can increase Medicare Part B and D premiums.

- **Smart Move:** Consider a partial Roth conversion strategy, spreading conversions over several years to stay within a lower tax bracket.

MANAGING CAPITAL GAINS TO REDUCE TAX EXPOSURE

If you've sold stocks, real estate, or other investments in 2024, you may owe capital gains taxes—but there are strategies to reduce or eliminate this tax burden before the April 2025 deadline.

1. UNDERSTAND CAPITAL GAINS TAX RATES

- If you've held an asset for less than one year, profits are taxed as ordinary income (which can be as high as 37%).
- If you've held an asset for more than one year, it's taxed at long-term capital gains rates, which are much lower:

Filing Status	0% Rate	15% Rate	20% Rate
Single	Up to $47,025	$47,026 - $518,900	Over $518,900
Married Filing Jointly	Up to $94,050	$94,051 - $583,750	Over $583,750

- **Why This Matters:** If your taxable income is below $94,050 (married) or $47,025 (single), you may pay 0% on long-term capital gains—a huge tax break!

2. TAX-LOSS HARVESTING: OFFSET GAINS WITH LOSSES

- If you have stocks that lost value, you can sell them to offset capital gains from winning investments.
- Losses can offset up to $3,000 of ordinary income and carry forward indefinitely.

- **Why This Matters:** Harvesting losses before December 31, 2024, can reduce your taxable gains and lower your tax bill.

3. CONSIDER A 1031 EXCHANGE FOR REAL ESTATE INVESTORS

- If you sold investment property, you can defer capital gains taxes by reinvesting in another property using a 1031 exchange.

- **Why This Matters:** This strategy lets real estate investors defer taxes indefinitely while growing their portfolio.

4. UTILIZE TAX-ADVANTAGED ACCOUNTS FOR INVESTMENTS

- **Municipal Bonds** – Interest is tax-free at the federal level (and often state level).
- **Tax-Efficient Mutual Funds & ETFs** – These funds are structured to minimize taxable distributions.

- **Why This Matters:** Choosing tax-efficient investments can help keep more of your gains instead of giving them to the IRS.

FINAL THOUGHTS: YOUR NEXT STEPS

- With the April 2025 tax deadline fast approaching, now is the time to act on these strategies before it's too late.
- Review your retirement withdrawal strategy to avoid unnecessary taxes
- Consider a Roth conversion if you expect higher tax rates in the future
- Use tax-loss harvesting or other investment strategies to minimize capital gains taxes

In the next chapter, we'll cover **last-minute tax-saving moves you can still make** before filing your return. Don't leave money on the table—optimize your retirement and investment tax strategies today.

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ADVANCED TAX-SAVING TACTICS FOR BUSINESS OWNERS & HIGH EARNERS

When it comes to taxes, the smartest strategies aren't just for the wealthy—they're for the well-prepared. If you're a business owner, entrepreneur, or high-net-worth individual, taking advantage of advanced tax-saving tactics can mean the difference between overpaying the IRS and keeping more of your hard-earned wealth.

This chapter covers essential strategies to help you maximize deductions, minimize self-employment taxes, and leverage tax-advantaged retirement plans before the April 2025 deadline.

We'll dive into:

- Maximizing deductions for business owners
- Tax-smart retirement plans for entrepreneurs
- How to minimize self-employment & estate taxes

Let's explore these powerful tactics that can lead to substantial tax savings.

MAXIMIZING DEDUCTIONS FOR BUSINESS OWNERS

As a business owner, you have a unique advantage when it comes to tax deductions. By optimizing your business expenses, depreciation strategies, and qualified deductions, you can significantly lower your taxable income.

1. LEVERAGING SECTION 179 & BONUS DEPRECIATION

- **Section 179 Deduction:** Allows businesses to deduct the full cost of eligible equipment and software purchased in 2024 rather than depreciating it over time.
- **Bonus Depreciation:** For larger purchases, businesses can deduct up to 80% of the cost in the first year instead of spreading it out.

- **Why This Matters:** If you're planning any major equipment, vehicle, or technology upgrades, doing so before the year ends can lead to immediate tax savings.

2. HOME OFFICE & BUSINESS VEHICLE DEDUCTIONS

- **If you work from home,** you may qualify for the home office deduction, which allows you to write off a portion of rent/mortgage, utilities, and maintenance.
- **If you use a vehicle for business,** you can deduct mileage at $0.67 per mile (2024 IRS rate) or opt for actual vehicle expenses.

- **Why This Matters:** Many business owners miss out on thousands in deductions simply by not keeping track of these expenses.

3. QUALIFIED BUSINESS INCOME (QBI) DEDUCTION

- **If you're a sole proprietor,** LLC owner, or S-corp shareholder, you may qualify for the 20% QBI deduction, which reduces taxable income without requiring additional spending.

- **Why This Matters:** This deduction phases out at certain income levels, so strategic income management before year-end can help maximize your eligibility.

TAX-SMART RETIREMENT PLANS FOR ENTREPRENEURS

As an entrepreneur or small business owner, the right retirement plan can do double duty—lowering your tax bill today while securing your future.

1. SEP-IRA: A HIGH-CONTRIBUTION OPTION FOR SOLO ENTREPRENEURS

- **2024 Contribution Limit:** The lesser of 25% of compensation or $69,000.
- **Best For:** Self-employed individuals and small business owners with few or no employees.

- **Why This Matters:** SEP-IRAs allow for massive tax-deferred contributions, perfect for high-earning entrepreneurs.

2. SOLO 401(K): HIGHER LIMITS + ROTH OPTION

- **2024 Contribution Limit:** Up to $69,000 (or $76,500 if age 50+).
- **Roth Solo 401(k) Option:** Pay taxes now and enjoy tax-free growth and withdrawals in retirement.

- **Why This Matters:** A Solo 401(k) offers both traditional and Roth options, providing flexibility in managing current vs. future tax liabilities.

3. DEFINED BENEFIT PLANS: THE ULTIMATE TAX SHELTER FOR HIGH EARNERS

- **Allows contributions of $100,000+ per year** based on earnings and age.
- **Best For:** Business owners with consistent, high income looking for massive tax deferral opportunities.

- **Why This Matters:** Defined benefit plans are less common but incredibly powerful, often reducing taxable income by six figures per year.
- **Smart Move:** If you're self-employed or own a business, setting up a retirement plan before the deadline can be one of the biggest tax-saving moves you make.

STRATEGIES TO MINIMIZE SELF-EMPLOYMENT & ESTATE TAXES

Self-employed individuals and high-net-worth families often face higher tax burdens, but with the right planning, these can be significantly reduced.

1. MINIMIZING SELF-EMPLOYMENT TAXES

Self-employed individuals pay both the employer and employee portions of Social Security and Medicare taxes—15.3% of net earnings.

HOW TO REDUCE SELF-EMPLOYMENT TAXES:

- **S-Corp Election:** If eligible, filing as an S-corporation allows you to split income between salary and distributions, reducing self-employment tax.
- **Health Reimbursement Arrangements (HRAs):** Deduct medical expenses for you and your employees tax-free.

- **Why This Matters:** The right business structure can dramatically reduce your self-employment tax burden.

2. ESTATE TAX PLANNING: PROTECTING YOUR WEALTH FOR FUTURE GENERATIONS

The federal estate tax exemption for 2024 is $13.61 million per individual ($27.22 million for married couples), but this limit is set to decrease in 2026 unless Congress extends it.

- **Annual Gift Tax Exclusion:** You can give $18,000 per person in 2024 tax-free—an easy way to pass wealth down without estate tax implications.
- **Irrevocable Trusts:** Using GRATs, ILITs, and dynasty trusts can shield assets from estate taxes while preserving control.
- **Charitable Remainder Trusts (CRTs):** Provide lifetime income while benefiting a charity and reducing taxable estate value.

- **Why This Matters:** With potential tax law changes on the horizon, high-net-worth individuals should act now to secure their wealth under current exemptions.

FINAL THOUGHTS: YOUR NEXT STEPS

For business owners, entrepreneurs, and high-net-worth individuals, strategic tax planning can result in six-figure savings—but only if you take action before the April 2025 deadline.

- Optimize deductions for your business to lower taxable income
- Use tax-advantaged retirement plans to reduce current and future taxes
- Minimize self-employment and estate taxes through smart structuring

- **Smart Move:** Work with a fiduciary financial advisor or tax strategist to ensure you're not leaving money on the table. The sooner you act, the more you can save.

In the next chapter, we'll explore last-minute tax moves you can still make before filing.

Don't miss out on opportunities that could save you thousands this year.

With smart planning and strategic action, you can keep more of your money, minimize your tax burden, and set yourself up for success. **Schedule a Complimentary Tax-Planning Discovery Meeting today.**

Click button or visit strittmatterwealth.info/tax-discovery-meeting

SCHEDULE NOW

HOW TO AVOID COSTLY TAX PENALTIES

Tax season isn't just about maximizing refunds—it's also about avoiding costly penalties that can drain your hard-earned money. From Required Minimum Distributions (RMDs) to estimated tax payments and filing errors, simple mistakes can trigger hefty IRS fines and unnecessary stress.

This chapter covers key areas where taxpayers often slip up, including:

- RMD mistakes and how to correct them
- Estimated tax payments and IRS red flags
- Tax filing pitfalls that could cost you

By understanding these risks, you can **avoid penalties, keep more money, and stay on the IRS's good side.**

RMD MISTAKES & HOW TO CORRECT THEM

If you have a traditional IRA, 401(k), or other tax-deferred retirement account, the IRS requires you to start taking Required Minimum Distributions (RMDs) at age 73. Missing or miscalculating your RMD can result in a 50% penalty on the amount not withdrawn—one of the most severe penalties in the tax code.

COMMON RMD MISTAKES & HOW TO FIX THEM

- **Mistake: Forgetting to Take Your RMD**
- **Correction:** If you missed an RMD, take it as soon as possible and file Form 5329 with an explanation to request a penalty waiver.

- **Mistake: Withdrawing the Wrong Amount**
- **Correction:** Calculate your RMD based on your account balance as of December 31 of the previous year. Use the IRS Uniform Lifetime Table or work with a financial advisor to ensure accuracy.

- **Mistake: Taking RMDs from the Wrong Account**
- **Correction:** If you have multiple IRAs, you can take your total RMD from one or more IRAs. But if you have multiple 401(k)s, you must take an RMD from each separate account.

- **Mistake: Forgetting That Roth 401(k)s Now Require RMDs**
- **Correction:** Beginning in 2024, Roth 401(k)s are subject to RMDs (unlike Roth IRAs). Consider rolling over your Roth 401(k) into a Roth IRA to avoid unnecessary withdrawals.

- **Why This Matters:** The IRS is not forgiving when it comes to RMD mistakes. Planning ahead ensures you don’t lose thousands in penalties.

ESTIMATED TAX PAYMENTS & IRS RED FLAGS

For self-employed individuals, retirees with investment income, and high-income earners, estimated tax payments are required throughout the year. Failing to pay enough can lead to IRS penalties, audits, and unnecessary interest charges.

WHO NEEDS TO MAKE ESTIMATED TAX PAYMENTS?

- Self-employed individuals with no W-2 tax withholding
- Investors with significant dividends, capital gains, or rental income
- Retirees taking taxable withdrawals from IRAs or pensions

HOW TO AVOID ESTIMATED TAX PENALTIES

- **Mistake: Paying Too Little Throughout the Year**
- **Correction:** Pay at least 90% of this year's tax liability or 100% of last year's liability (110% if your income is over $150,000).

- **Mistake: Missing Quarterly Deadlines**
- **Correction:** Payments are due on April 15, June 15, September 15, and January 15. Missing a deadline triggers a penalty, even if you pay the full amount later.

- **Mistake: Under-reporting Income (An IRS Red Flag!)**
- **Correction:** The IRS receives 1099s, W-2s, and investment reports. If your reported income doesn't match their records, it could trigger an audit.

- **Mistake: Overusing Business Deductions Without Documentation**
- **Correction:** Large deductions for home offices, business meals, or travel without receipts may raise IRS suspicion. Keep detailed records in case of an audit.

- **Why This Matters:** The IRS automatically flags inconsistent income, excessive deductions, and missed estimated tax payments. Proactive planning keeps you compliant and penalty-free.

TAX FILING PITFALLS THAT COULD COST YOU

Even taxpayers who pay on time can face costly penalties due to filing mistakes, missing deadlines, or improper tax elections.

1. MISSING THE APRIL 15, 2025, TAX DEADLINE

- The failure-to-file penalty is 5% of unpaid taxes per month, up to 25% of your total tax liability.
- If you can't file on time, request an extension, but remember—it does NOT extend your payment deadline.

- **Avoid It:** File electronically before April 15, 2025, and make any payments by that date to avoid penalties and interest.

2. CLAIMING INCORRECT DEDUCTIONS OR CREDITS

Common errors include:

- Claiming the wrong filing status (e.g., Head of Household when you don't qualify)
- Taking deductions you can't substantiate
- Overstating charitable contributions

- **Avoid It:** Keep all receipts, donation letters, and financial statements. If unsure, consult a tax professional to ensure accuracy.

3. OVERLOOKING STATE TAX LIABILITIES

- If you've moved states, own property in multiple locations, or work remotely, you may owe state taxes in more than one state.
- States are aggressively auditing remote workers to claim their share of income taxes.

- **Avoid It:** Review state tax laws if you lived or worked in multiple states in 2024.

4. FORGETTING TO REPORT CRYPTOCURRENCY TRANSACTIONS

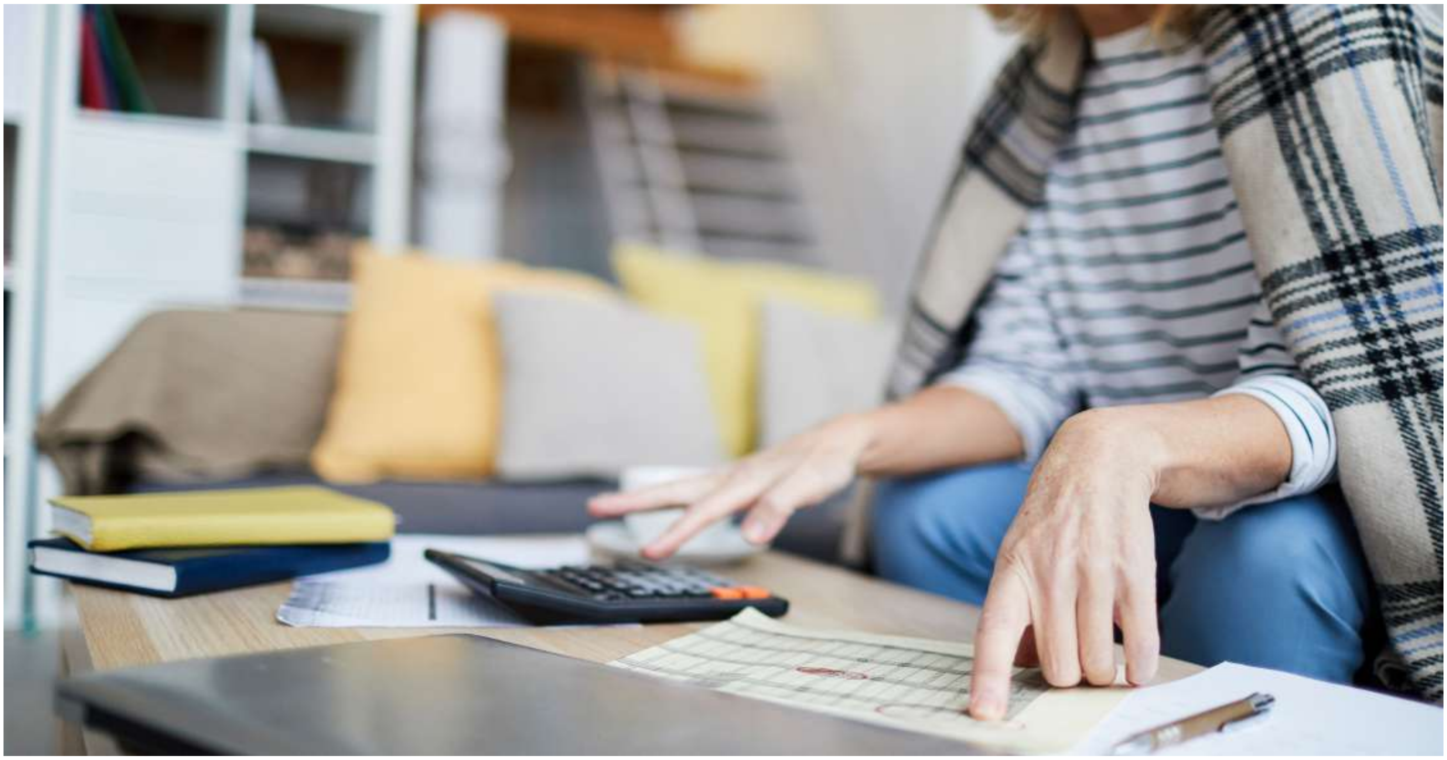
- The IRS now requires all taxpayers to report crypto transactions, even if you didn't sell.
- Failing to report crypto trades could trigger an audit.

- **Avoid It:** Use tax software or a CPA to ensure all digital assets are reported properly.

5. IGNORING IRS NOTICES OR AUDIT REQUESTS

- The worst mistake is ignoring the IRS. If you receive a notice, respond promptly to avoid escalation.
- If audited, failing to provide records can result in additional penalties.

- **Avoid It:** If you receive an IRS letter, don't panic—respond immediately or seek professional guidance.



FINAL THOUGHTS: YOUR NEXT STEPS

No one likes paying more than they owe, but ignoring tax rules can cost you even more in penalties, fees, and stress. The good news? Avoiding these pitfalls is simple with the right preparation.

- Take your RMDs on time to avoid a 50% penalty
- Make estimated tax payments to prevent IRS scrutiny
- File on time and avoid IRS red flags

- **Smart Move:** If you're unsure whether you're at risk for tax penalties, a tax professional or financial advisor can help you navigate potential pitfalls before it's too late.

In the next chapter, we'll discuss last-minute tax moves you can still make before filing. Don't leave money on the table—let's **make sure you're penalty-free and maximizing your savings!**

Unsure about the best tax strategies for your situation? Our team of fiduciary financial advisors and tax professionals is here to help.
Schedule a Complimentary Tax-Planning Discovery Meeting today.

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GET TAX HELP

LAST-MINUTE MOVES TO LOWER YOUR 2024 TAX BILL

As the April 2025 tax deadline approaches, you may feel like your options to lower your tax bill are limited or already locked in—but that's not the case. There are still powerful, last-minute strategies that can reduce your taxable income, offset capital gains, and maximize deductions before filing.

This chapter explores:

- Contributions, deferrals & write-offs you can make
- Tax-loss harvesting: Offsetting gains before the deadline
- Strategic filing considerations (Married Filing Jointly vs. Separately)

The clock is ticking, but with the right moves now, you can still save big on your 2024 taxes.

CONTRIBUTIONS, DEFERRALS & WRITE-OFFS YOU CAN STILL MAKE

Even if December 31 has passed, certain tax-saving contributions and deductions are still available before the filing deadline.

1. MAXIMIZE IRA & HSA CONTRIBUTIONS (BEFORE APRIL 15, 2025)

You can still contribute to Traditional IRAs, Roth IRAs, and Health Savings Accounts (HSAs) and have them count toward your 2024 tax return.

  - **Traditional IRA Contribution Limit (2024):** $7,000 (or $8,000 if 50+)
  - **HSA Contribution Limit (2024):** $4,150 for individuals, $8,300 for families (+$1,000 catch-up if 55+)

- **Why This Matters:**
  - Traditional IRA contributions reduce your taxable income if you qualify.
  - Roth IRA contributions grow tax-free, though they don't lower your tax bill this year.
  - HSA contributions offer triple tax benefits: tax-deductible contributions, tax-free growth, and tax-free withdrawals for medical expenses.
- **Last-Minute Move:** If you haven't hit your contribution limit yet, fund your IRA or HSA before April 15 to lock in savings.

2. DEDUCTING SELF-EMPLOYED RETIREMENT CONTRIBUTIONS

If you're self-employed, you may still be able to contribute to tax-advantaged retirement accounts and reduce your 2024 taxable income before the deadline.

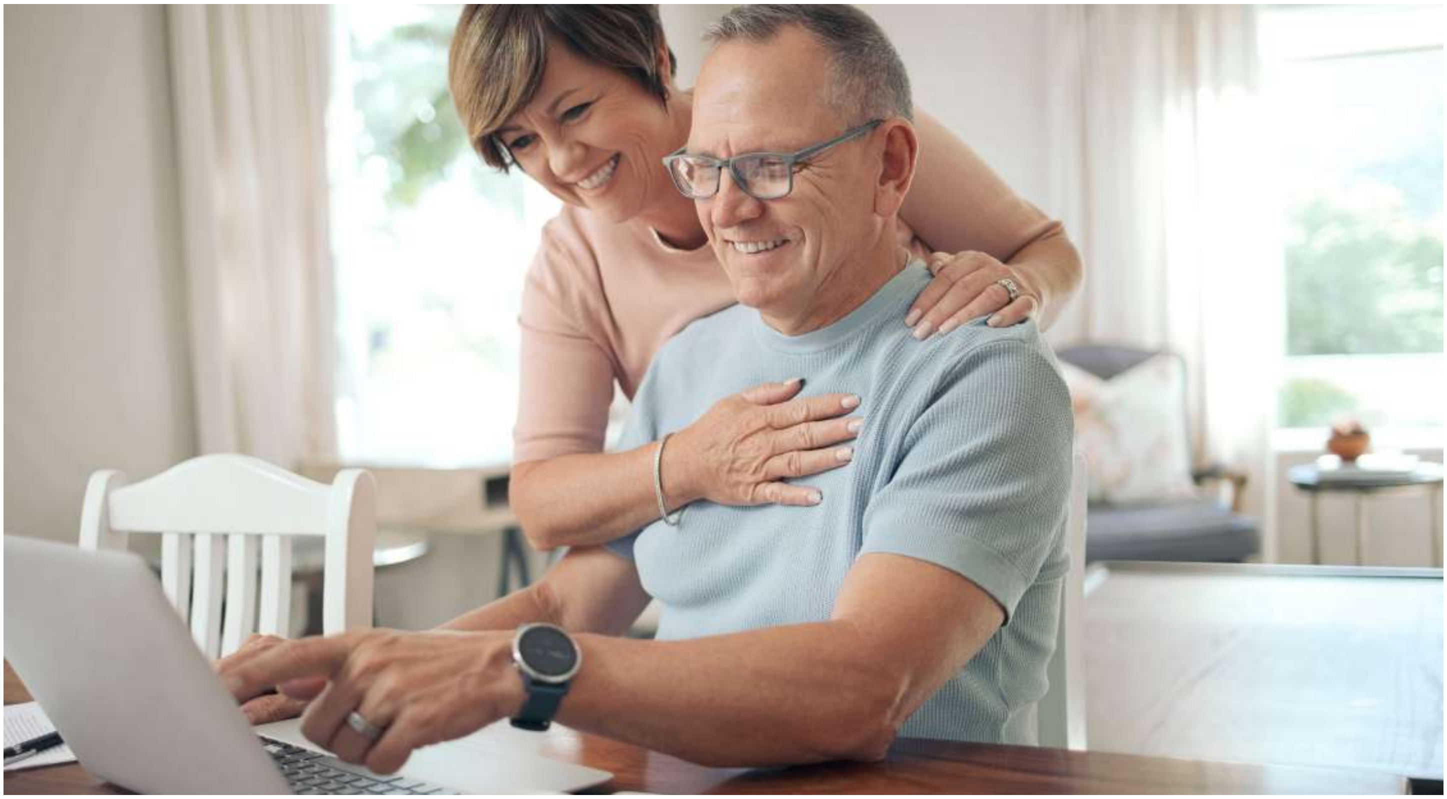
  - **SEP-IRA:** Contributions can be made up to the tax filing deadline, including extensions (potentially until October 2025).
  - **Solo 401(k):** If established before year-end, contributions for 2024 can still be made before filing.

- **Last-Minute Move:** If you're self-employed, maxing out your SEP-IRA or Solo 401(k) now can significantly cut your 2024 tax bill.

3. STILL TIME TO MAKE A QUALIFIED CHARITABLE CONTRIBUTION (QCD)

If you're age 70½ or older, you can donate up to $100,000 directly from your IRA to a qualified charity. This counts toward your RMD but isn't taxable income.

- **Last-Minute Move:** If you forgot to take your RMD and don't need the income, make a QCD before filing to avoid higher taxes.



TAX-LOSS HARVESTING: OFFSETTING GAINS BEFORE THE DEADLINE

If you had capital gains in 2024, you might be able to reduce your tax liability through a strategy called tax-loss harvesting.

HOW TAX-LOSS HARVESTING WORKS

- Sell investments at a loss to offset gains from profitable investments.
- You can use losses to offset up to $3,000 of ordinary income per year ($1,500 if married filing separately).
- Unused losses carry forward indefinitely, so they can continue reducing taxes in future years.

- **Why This Matters:** If you had large stock gains, real estate sales, or business profits, harvesting losses before filing can lower your tax bill.
- **Last-Minute Move:** If you sold winning investments but forgot to sell losers to balance them out, do a final check before filing. You may be able to use previous losses or carry them forward to minimize taxes.

STRATEGIC FILING CONSIDERATIONS (MARRIED FILING JOINTLY VS. SEPARATELY)

One of the most overlooked last-minute tax strategies is choosing the optimal filing status for married couples. While most file jointly, in some cases, Married Filing Separately (MFS) can reduce overall taxes.

WHEN FILING SEPARATELY MAKES SENSE

If one spouse has large medical expenses:

- Medical expenses are only deductible if they exceed 7.5% of adjusted gross income (AGI).
- Filing separately can lower the AGI threshold, making medical deductions more accessible.

If one spouse has significant student loan payments:

- Income-driven repayment plans base payments on individual vs. joint income.
- Filing separately may lower loan payments under these plans.

If one spouse has high deductible work expenses:

- Job-related expenses are subject to 2% of AGI limits, so lower AGI makes them easier to deduct.

- **Last-Minute Move:** Run both joint and separate returns using tax software or with an accountant to see which filing status saves the most.

FINAL THOUGHTS: YOUR NEXT STEPS

Even with the April 2025 tax deadline approaching, it's not too late to make strategic moves that can save you thousands:

- Max out last-minute IRA, HSA, and retirement contributions
- Harvest losses to offset gains and reduce capital gains taxes
- Reevaluate filing status for the biggest tax advantage

- **Smart Move:** Before hitting "submit" on your tax return, review these opportunities with a financial advisor or tax professional. Even small adjustments can lead to big savings.

In the next chapter, we'll discuss how to future-proof your tax plan so you can **stay ahead of tax law changes and avoid scrambling next year.**

CONCLUSION & NEXT STEPS

As the April 2025 tax deadline quickly approaches, taking proactive steps now can mean the difference between keeping more of your hard-earned money or paying more than necessary to the IRS. Smart tax planning isn't just about meeting deadlines—it's about strategically reducing your tax burden, maximizing your savings, and positioning yourself for long-term financial success.

Throughout this guide, we've explored key tax-saving strategies, including:

- Understanding recent tax law changes that could impact your 2024 return
- Maximizing deductions and credits before it's too late
- Using tax-efficient retirement and investment strategies to minimize your tax liability
- Leveraging advanced tax-saving tactics for business owners, retirees, and investors
- Avoiding costly penalties that can drain your wealth
- Making last-minute tax moves to reduce your 2024 tax bill

Now, the big question is: What should you do next?

YOUR NEXT STEPS TO TAKE ACTION

Before filing your 2024 tax return, consider these final action steps to ensure you're making the most of every available tax-saving opportunity.

1. REVIEW YOUR TAX SITUATION WITH A PROFESSIONAL

Even the most financially savvy individuals can overlook key deductions, credits, or strategies that could reduce their tax burden. A tax professional or fiduciary financial advisor can help you:

- Ensure you're taking advantage of all eligible tax breaks
- Optimize your retirement withdrawals and contributions
- Plan for the impact of 2025 tax law changes

- **Action Step:** Schedule a tax planning review before the April deadline to ensure you're not leaving money on the table.

2. DOUBLE-CHECK YOUR FILING STRATEGY

Before submitting your tax return, ask yourself:

- Am I filing under the best tax status? (Married Jointly vs. Separately)
- Have I maximized all eligible deductions and credits?
- Did I properly account for investment gains and losses?

- **Action Step:** Use tax software or a professional service to run a "what-if" comparison of different filing options.

3. IMPLEMENT A YEAR-ROUND TAX STRATEGY

Tax planning isn't just a once-a-year event. By taking a proactive, year-round approach, you can minimize surprises and maximize opportunities. Some smart moves include:

- Adjusting your tax withholdings if you owed too much or got a large refund this year
- Making quarterly estimated tax payments if you're self-employed or have investment income
- Re-evaluating your retirement contribution strategy to reduce taxable income

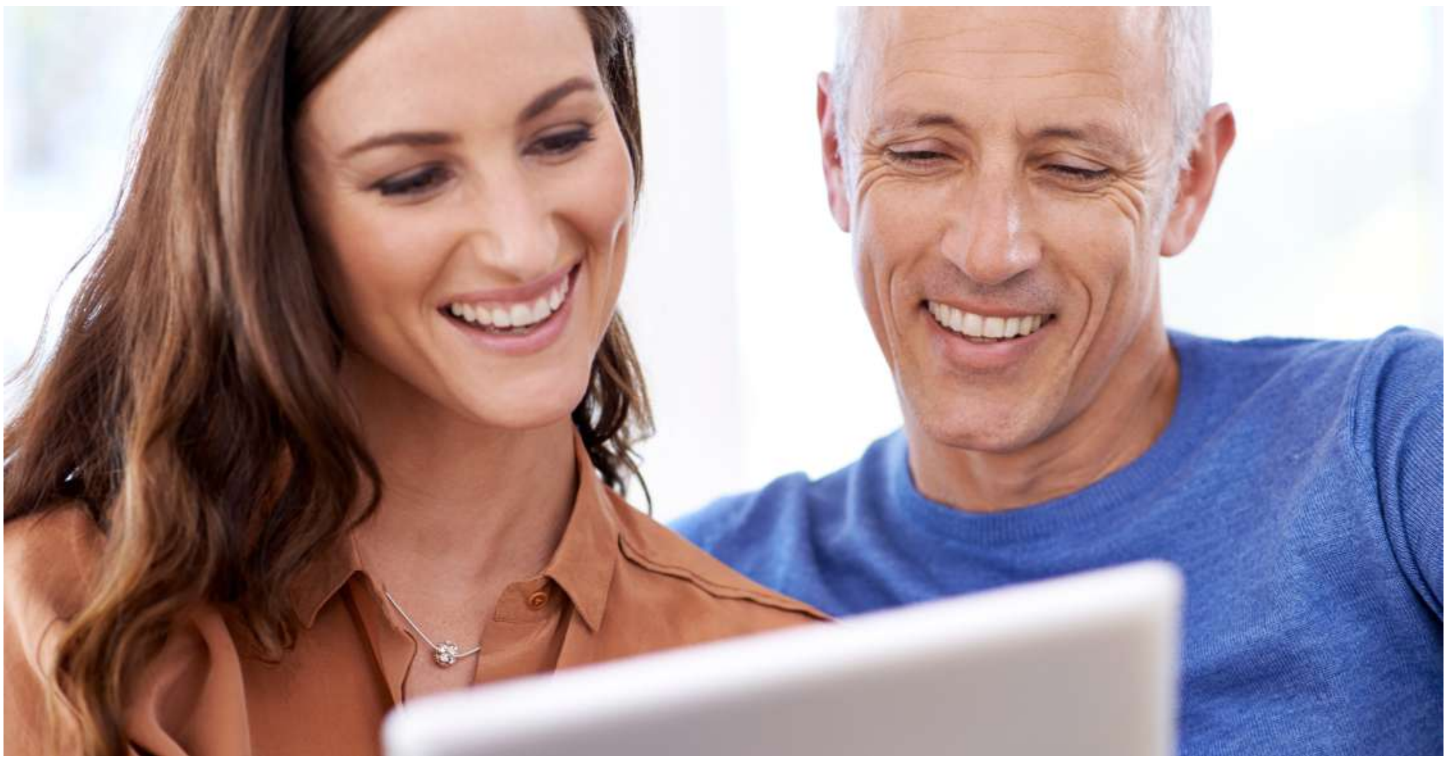
- **Action Step:** Set up a mid-year tax review in July to adjust your plan before next tax season.

4. STAY AHEAD OF FUTURE TAX LAW CHANGES

With potential tax policy shifts in 2025, it's critical to stay informed and adjust your tax strategy accordingly. Keeping up with tax law changes can help you:

- Avoid unexpected tax increases
- Take advantage of new deductions and credits
- Pro-actively adjust your investment and retirement tax strategy

- **Action Step:** Subscribe to tax and financial updates from a trusted fiduciary advisor to stay ahead of policy changes.



FINAL THOUGHTS: TAKE CONTROL OF YOUR TAX FUTURE

Smart tax planning isn't just about saving money this year—it's about creating a long-term strategy that keeps more wealth in your hands for years to come. Whether you're planning for retirement, building your investments, or managing a business, a well-executed tax plan can help you:

- Reduce your lifetime tax liability
- Grow your wealth more efficiently
- Ensure financial security for your future and your family

The time to act is now.

The April 2025 deadline is fast approaching, but with the right strategies, you still have time to optimize your tax situation and secure your financial future.

NEED PERSONALIZED TAX GUIDANCE? WE'RE HERE TO HELP!

If you're unsure about the best tax strategies for your situation, our team of fiduciary financial advisors and tax professionals is here to help. We specialize in:

- Retirement tax strategies to ensure tax-efficient withdrawals
- Investment tax planning to reduce capital gains taxes
- Business owner tax optimization for entrepreneurs and self-employed individuals
- Estate and wealth transfer strategies to protect your family's financial future

SCHEDULE A COMPLIMENTARY TAX PLANNING DISCOVERY MEETING TODAY!

Let's make sure you're maximizing your tax savings, protecting your wealth, and preparing for a secure financial future.

FINAL REMINDER

Don't let tax season catch you off guard. With smart planning and strategic action, you can keep more of your money, minimize your tax burden, and set yourself up for success.

Here's to a financially optimized 2025 and beyond!

Unsure about the best tax strategies for your situation? Our team of fiduciary financial advisors and tax professionals is here to help.
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GET TAX HELP

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