*Presentation:*Principles Of Tax Planning for Financial Advisors

*Presenter:*   
*Jeffrey Levine, CPA/PFS, CFP*®, CWS®, BFA®, MSA is the Lead Financial Planning Nerd for [Kitces.com](https://www.kitces.com/) and the Chief Planning Officer at [Focus Wealth Partners](https://wealth.focuspartners.com/). In 2020, Mr. Levine was named by Investment Advisor Magazine as one of the top 25 voices to turn to during uncertain times, and was named to the IA25 again in 2021. Jeff is a past recipient of the [Standing Ovation award](https://www.aicpa.org/press/pressreleases/2017/aicpa-announces-standing-ovation-honors-in-personal-financial-planning.html), presented by the AICPA Financial Planning Division, was named to the [2017 class of 40 Under 40](http://www.investmentnews.com/section/40-under-40/2017/profile/24/Jeffrey-Levine) by InvestmentNews, and as a Young Advisor to Watch by Financial Advisor Magazine in 2020. Previously, Jeffrey served as Ed Slott and Company’s Chief Retirement Strategist, where his ability to simplify the complex laws that govern individual retirement accounts, combined with his unique blend of humor and tax planning, was first recognized. You can follow Jeff on Twitter [@CPAPlanner](https://twitter.com/CPAPlanner), where he is known to break down the latest tax updates in GIF-filled tweets storms, and via his personal website, [www.FullyVestedAdvice.com](http://www.fullyvestedadvice.com/).

*Session Description:*

Financial Advisors serve clients with a diverse array of backgrounds, financial resources, goals, and objectives. But while no two clients are the same, nearly all clients share the common goal of “paying the least amount of tax possible.” It should come as no surprise then, that clients of all income and asset levels are increasingly seeking “tax planning” guidance from their Financial Advisors.

Many advisors, though, have been reticent to engage in tax planning, either because they lack the knowledge to be able to competently do so, fear “stepping on the toes” of a client’s CPA or other tax professionals, or out of concern about running afoul of rules that prevent them from giving tax advice. This session seeks to address those concerns.

Attendees will begin by learning why including tax planning as part of their overall client experience is essential for continued growth and success. The session will then focus on exploring ten high level principals of tax planning that can be used by all advisors – from tax planning “newbies” to seasoned tax planning pros – to help guide their clients towards lower tax bills and better outcomes.

*Learning Objectives:*

* Learn why Financial Advisors can, and should, engage in tax planning
* Identify a client’s true tax *rate*, and understand why focusing on the rate is more important than the bracket
* Explore the difference between tax advice, and tax planning, education, and information
* Discover why the goal of achieving tax diversification is misguided, and what advisors should focus on instead

*Level of Complexity:*

- < Beginner / Intermediate / Advanced>

*Topic Area(s):*

- < General Principles of Financial Planning / Insurance Planning / Investment Planning / Income Tax Planning / Retirement Planning / Estate Planning / Client Trust & Communication >

*Hour(s) of CE:*

- 1 CE

*Outline:*

* Why Advisors Need to Care About Tax Planning: 3 minutes
* Understanding the difference between tax rate and tax bracket: 7 minutes
* Redefining “permanent”: 3 minutes
* Understanding AGI vs. Taxable Income: 5 minutes
* Focusing on lifetime tax bills vs. annual tax bills: 3 minutes
* Why tax diversification should not be a goal: 5 minutes
* How decreasing *and* increasing income can lead to a lower tax rate: 4 minutes
* How timing can impact taxes: 5 minutes
* Why creating basis beats not paying taxes: 3 minutes
* How reporting errors can lead to higher taxes: 5 minutes
* How to incorporate tax planning into your practice without giving “tax advice”: 7 minutes

Total: 50 minutes