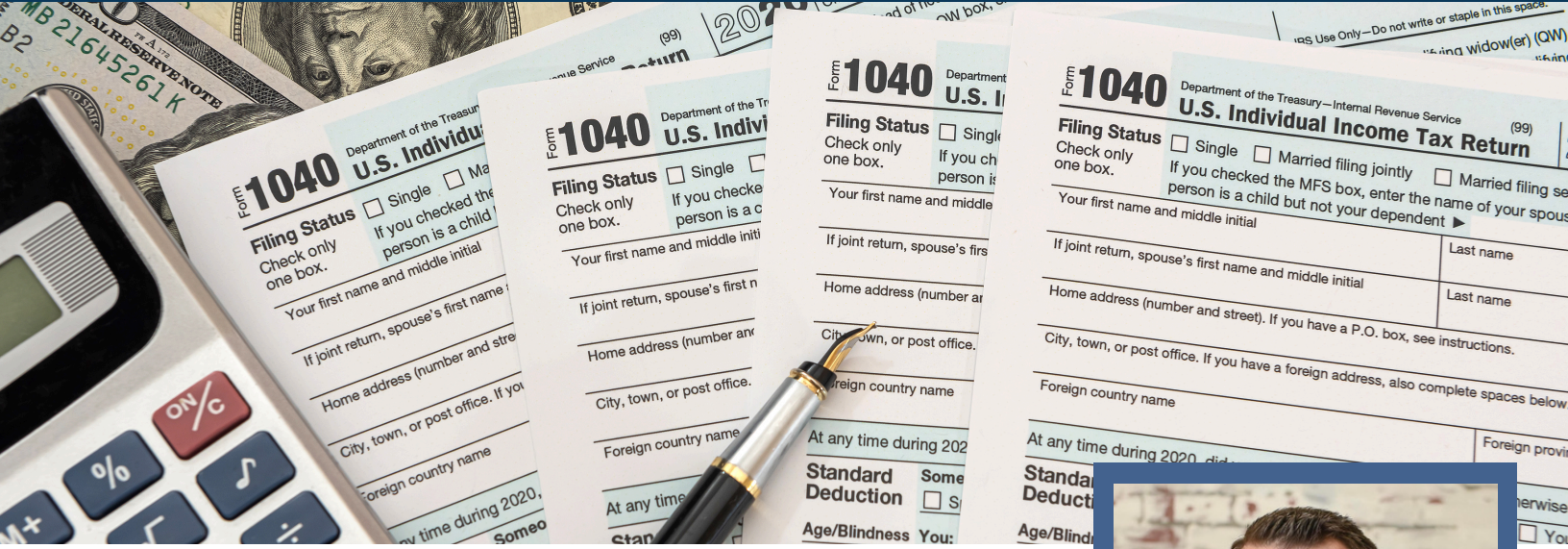


NEWSLETTER

ELEMENT WEALTH PLANNING

SPRING 2025



Note from Glenn Sweeten, CFP®

It's now tax season, many people's least favorite time of the year, at least if you don't file an extension. While many people choose to go it alone with online tax filing software, it's always a good idea to have a tax professional in your corner. Lately, a barrage of regulatory changes, inflationary adjustments, and other phaseouts have made the task of preparing your tax return more complicated than ever. Even more changes are in store for 2025 tax year, outlined by [Revenue Procedure 2024-40](#). The value of a CPA or EA is a worthwhile expense and worthy of consideration.



PREPARING FOR THE TAX SEASON

You may consider incorporating the principles and tips in this newsletter into your tax preparation strategy.

Preparing well in advance may enable you to take advantage of the opportunities and benefits available under the new tax code.

Discussing your unique situation with both a financial and tax professional may help you make informed choices as tax season approaches. The information in this material is not intended as tax or legal advice. It may not be used for the purpose of avoiding any federal tax penalties. Please consult with legal or tax professionals with expertise in this area for specific information regarding your situation.

TAX EFFICIENCY & TAX BUCKETS



Imagine going into retirement with the ability to control your taxable income, potentially limit the taxes on your social security, and avoid tax thresholds like IRMAA.

For some people, this is possible with the use of different types of accounts based on their tax status, depending on how early they start saving.

The three primary types of tax statuses are Pre-Tax (also known as Traditional or Tax-Deferred) After-Tax (also known as Roth or Tax-Free) and Taxable (also known as Non-Qualified or brokerage).

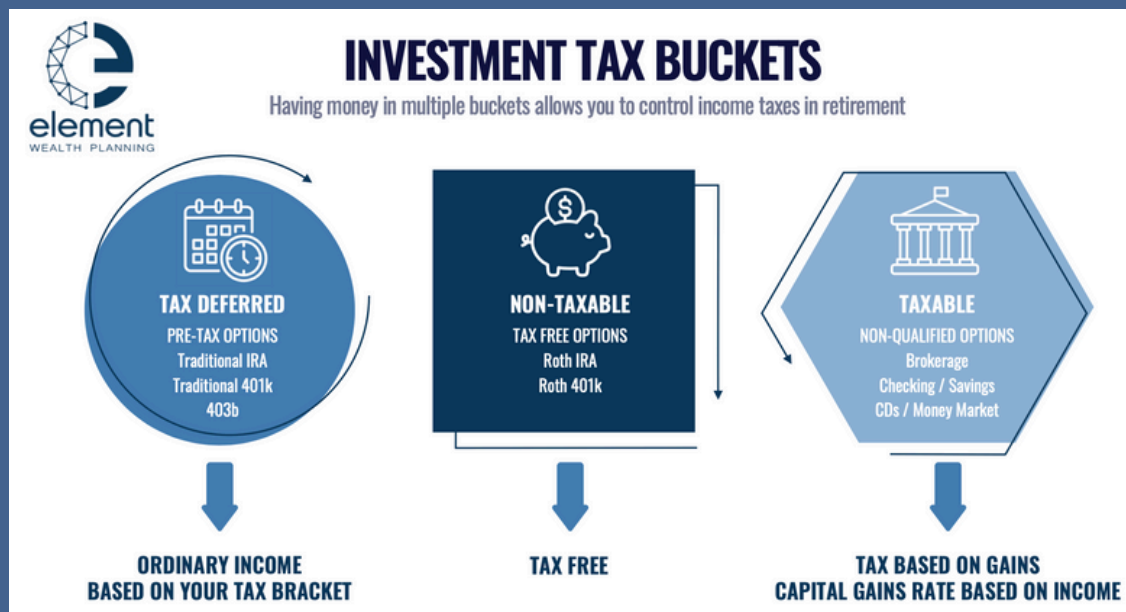
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We encourage our clients to have assets in each of the different tax "Buckets". By being able to choose which bucket (or combination of which buckets) to draw from in any given year, we are able to help clients control their taxable income.

A Roth IRA offers tax deferral on any earnings in the account. Qualified withdrawals of earnings from the account are tax-free. Withdrawals of earnings prior to age 59 ½ or prior to the account being opened for 5 years, whichever is later, may result in a 10% IRS penalty tax. Limitations and restrictions may apply.

Contributions to a traditional IRA may be tax deductible in the contribution year, with current income tax due at withdrawal. Withdrawals prior to age 59 ½ may result in a 10% IRS penalty tax in addition to current income tax.

This information is not intended to be a substitute for specific individualized tax or legal advice. We suggest that you discuss your specific situation with a qualified tax or legal advisor.



TECH SPOTLIGHT: HOLISTAPLAN

Holistaplan allows Element Wealth Planning to quickly model tax scenarios for clients by pulling a client's previous year tax return data directly from their return. It allows us to provide tax planning guidance for different scenarios and increase client tax efficiency.

Click "Learn More" for more information on Holistaplan and its benefits.



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TAX PLANNING FOR EVERY SCENARIO

Holistaplan grants us the ability to quickly analyze tax implications for any scenario and provide your CPA with a letter explaining taxable changes for the given year, saving you time and surprise tax bills. It also allows us to help you remain tax efficient and possibly avoid entering into common tax traps, such as IRMAA or higher Social Security taxability, and to measure what an increase in retirement distributions would do to your tax situation.

Holistiplan is not affiliated with Element Wealth Planning or LPL Financial. This information is not intended to be a substitute for specific individualized tax advice. We suggest that you discuss your specific tax issues with a qualified tax advisor.



TIGHTENING THE NUTS & BOLTS

Here are some additional ways to prepare this year for next year's tax season:

Look at last year: Take one more look at last year's return. In the months ahead, you may still have an opportunity to contribute more to your retirement plan, which may help manage your taxable income.

Get organized: Find a place to store your tax documents until it is time to prepare to file. A good recordkeeping system may alleviate concerns later as the deadline gets closer.

Consider other taxes: Keep an eye on local and state government requirements that may affect your specific tax situation.

ONE YEAR ANNIVERSARY OPEN HOUSE

Time flies when you're having fun! Thank you, thank you, thank you! We are grateful to have such wonderful support from our clients, family, friends, and community as we celebrated Element Wealth Planning's one year anniversary on March 20th. Here's to another year of growth, gratitude, and making a meaningful impact together!

thank you



UPCOMING EVENTS

15 APR | **2024 INCOME TAX RETURNS DUE**
Most taxpayers have until April 15 to file tax returns. Email or postmark your returns by midnight on this date.

08 MAY | **ESTATE PLANNING SEMINAR • 6PM**
Join us for our seminar as we discuss strategies to consider when planning your estate. Limited space available.
120 S. Bedford Street • Georgetown (More details to follow)

12 MAY | **CLIENT SHRED EVENT • 5/12 - 5/16**
Stop by our office for our client shred event this week to safely dispose of your documents.
120 S. Bedford Street • Georgetown (More details to follow)

15 MAY | **ESTATE PLANNING SEMINAR • 6PM**
Join us for our seminar as we discuss strategies to consider when planning your estate. Limited space available.
120 S. Bedford Street • Georgetown (More details to follow)



DON'T MISS A THING!

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