

SVA Accounting Spotlight on Service: Proactive Tax Planning Nets the Best Results for Minimizing Taxes

Headlines read, “New Tax Laws Bring Significant Changes for Individual Taxpayers Everywhere.”

Hi, I'm Karen Galina, tax principal at SVA certified public accountants. How will this new tax legislation, commonly called the tax cuts and Jobs Act, affect you? This should not be left to chance or without an understanding of what lies ahead. Even if you've never before thought about tax planning, this is the time to develop a tax planning strategy that's right for you. One that's proactive and based on your specific financial information, goals, and objectives. A year round plan that will provide you with the most favorable tax outcome possible.

At SVA with the new tax law changes, we encourage you to implement a plan long before you file your next tax return. We can work together to help you determine the best tax strategy. You may want to maximize credits or take advantage of the new tax brackets and thresholds. You may want to postpone income and accelerate expenses. To get the most benefit from itemized deductions, you should consider possibly opening a donor directed charitable foundation for your charitable contributions. Maybe applying a bunching strategy to maximize what is now deductible. You might want to consider paying additional medical expenses before the limits increase. Try reviewing the effect of the new limits on mortgage debt deductions, they've changed. When looking at your IRA and retirement savings you might want to consider, should I stop paying those higher investment fees from my taxable accounts? Should I now convert my IRA to a Roth IRA? What laws have changed? When taking your RMD should you make a direct qualified charitable distribution? Thus reducing your AGI. There's just so much to consider.

At SVA we've been helping individuals for over 40 years with their tax issues. You can trust SVA to have the experience, knowledge, and expertise to help you achieve your goals and objectives through strategic planning. The time is right for us to work together.