CORIENT

Overview of Tax Planning and Holistiplan

Reviewing a Tax Return for Planning Opportunities

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Reviewing a Tax Return for Planning Opportunities

1. Foundations of a Tax Return

Foundations of a Tax Return

Form 1040

ADJUSTED GROSS INCOME

Take note of the client's adjusted gross income. What credits may they be eligible for based on this number? Do they have dependents?

Holistiplan can also help with this analysis.

IRA DISTRIBUTIONS

If you know a client does Qualified Charitable Distributions, it's important to tie back the IRA income reported. 1099R tax documents may not accurately display when a QCD is done. Tax Preparer may need to be told by the client or client's advisor.

Income	1a	Total amount from Form(s) W-2, box 1 (see instructions)			1a
Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.	b	Household employee wages not reported on Form(s) W-2			1b
	c	Tip income not reported on line 1a (see instructions)			1c
	d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)			1d
	e	Taxable dependent care benefits from Form 2441, line 26			1e
	f	Employer-provided adoption benefits from Form 8839, line 29			1f
If you did not get a Form W-2, see instructions.	g	Wages from Form 8919, line 6			1g
	h	Other earned income (see instructions)			1h
	i	Nontaxable combat pay election (see instructions)	1i		
	z	Add lines 1a through 1h			1z
Attach Sch. B if required.	2a	Tax-exempt interest	2a	**b** Taxable interest	2b
	3a	Qualified dividends	3a	**b** Ordinary dividends	3b
	4a	IRA distributions	4a	**b** Taxable amount	4b
Standard Deduction for—	5a	Pensions and annuities	5a	**b** Taxable amount	5b
• Single or Married filing separately, $13,850	6a	Social security benefits	6a	**b** Taxable amount	6b
• Married filing jointly or Qualifying surviving spouse, $27,700	c	If you elect to use the lump-sum election method, check here (see instructions) ☐			
• Head of household, $20,800	7	Capital gain or (loss). Attach Schedule D if required. If not required, check here ☐			7
• If you checked any box under *Standard Deduction*, see instructions.	8	Additional income from Schedule 1, line 10			8
	9	Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your **total income**			9
	10	Adjustments to income from Schedule 1, line 26			10
	11	Subtract line 10 from line 9. This is your **adjusted gross income**			11
	12	**Standard deduction or itemized deductions** (from Schedule A)			12
	13	Qualified business income deduction from Form 8995 or Form 8995-A			13
	14	Add lines 12 and 13			14
	15	Subtract line 14 from line 11. If zero or less, enter -0-. This is your **taxable income**			15

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 11320B Form **1040** (2023)

Foundations of a Tax Return

Form 1040

STANDARD DEDUCTION VS ITEMIZING DEDUCTIONS

Confirm if a client or prospect is taking the standard deduction ($13,850/$27,700, $15,700/$30,700 if over age 65) or if they are itemizing deductions. If you know that a client owns a home and has a mortgage on it, itemizing may be better.

ITEMZING DEDUCTIONS: CHARITABLE

If clients are charitably inclined, this deduction can also have a big impact on taxes. “Bunching” charitable deductions for multiple years worth of gifts into a Donor Advised Fund may make sense.

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a Form W-2, see instructions.

Attach Sch. B if required.

Standard Deduction for—
- Single or Married filing separately, $13,850
- Married filing jointly or Qualifying surviving spouse, $27,700
- Head of household, $20,800
- If you checked any box under *Standard Deduction*, see instructions.

1a	Total amount from Form(s) W-2, box 1 (see instructions)		1a
b	Household employee wages not reported on Form(s) W-2		1b
c	Tip income not reported on line 1a (see instructions)		1c
d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)		1d
e	Taxable dependent care benefits from Form 2441, line 26		1e
f	Employer-provided adoption benefits from Form 8839, line 29		1f
g	Wages from Form 8919, line 6		1g
h	Other earned income (see instructions)		1h
i	Nontaxable combat pay election (see instructions)	1i	
z	Add lines 1a through 1h		1z
2a	Tax-exempt interest	2a	b Taxable interest — 2b
3a	Qualified dividends	3a	b Ordinary dividends — 3b
4a	IRA distributions	4a	b Taxable amount — 4b
5a	Pensions and annuities	5a	b Taxable amount — 5b
6a	Social security benefits	6a	b Taxable amount — 6b
c	If you elect to use the lump-sum election method, check here (see instructions) ☐		
7	Capital gain or (loss). Attach Schedule D if required. If not required, check here ☐		7
8	Additional income from Schedule 1, line 10		8
9	Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your **total income**		9
10	Adjustments to income from Schedule 1, line 26		10
11	Subtract line 10 from line 9. This is your **adjusted gross income**		11
12	**Standard deduction or itemized deductions** (from Schedule A)		12
13	Qualified business income deduction from Form 8995 or Form 8995-A		13
14	Add lines 12 and 13		14
15	Subtract line 14 from line 11. If zero or less, enter -0-. This is your **taxable income**		15

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Foundations of a Tax Return

Form 1040

EFFECTIVE TAX RATE AND MARGINAL TAX RATE

Knowing this information can be a great planning tool for the current year.

Knowing where a client stands in a bracket can help us make forward-thinking and proactive decisions regarding Roth Conversions and how to handle if a client will be pushed into the next tax bracket due to additional income and/or RMDs

REFUND OR WRITE A CHECK?

Another good area to review is on page two of the 1040. Is the client getting a large refund?

Did the client have to write a check? Was there a penalty for “under-withholding”? If so, this may be a good time to review if withholdings were appropriate for the client.

Refund	34	If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you **overpaid** . .		34
	35a	Amount of line 34 you want **refunded to you**. If Form 8888 is attached, check here . . . . ☐		35a
Direct deposit? See instructions.	b	Routing number **c** Type: ☐ Checking ☐ Savings		
	d	Account number		
	36	Amount of line 34 you want **applied to your 2024 estimated tax** . . .	36	
Amount You Owe	37	Subtract line 33 from line 24. This is the **amount you owe**. For details on how to pay, go to *www.irs.gov/Payments* or see instructions		37
	38	Estimated tax penalty (see instructions)	38	

Schedule C

Self – Employment Income and Deductions

MORE DEDUCTION OPPORTUNITIES

- Self-employed individuals have a lot more tax planning opportunities. There is double payroll expense, but you have a lot more deduction options.
  - Health Insurance Deduction
  - Solo 401(k) or SEP IRA Deductions
  - Home Office Deduction
  - 6,000lb Vehicle Deduction
    - Be careful of this deduction opportunity as it can raise some eyebrows
    - Ensure that clients are keeping thorough and adequate records

HIRING CHILDREN INTO THE BUSINESS

- Some business owners like to hire their children which offers an opportunity for the child to use their earned income to fund a Roth IRA.
  - Recommend that children have a job title and have clear responsibilities
  - Be mindful of the age a child goes on the payroll

BOARD INCOME

- Some retired executives who receive income from sitting on a board may have opportunities to flow the income through Schedule C.
  - Medicare may be eligible for the health insurance deduction

Section 199A

Qualified Small Business Deduction

20% DEDUCTION

- For taxpayers that have a business and are eligible, there is a 20% Small Business Deduction
- A lot of Schedule C business are SSTBs (Specified trade or Business)
  - An SSTB is a trade or business involving the performance of services in the fields of health, law, accounting, actuarial science, performing arts, consulting, athletics, financial services, investing and investment management, trading or dealing in certain assets, or any trade or business where the principal asset is the reputation or skill of one or more of its employees or owners.
  - There are typically income thresholds that phase out
  - The default is that most Schedule Cs are classified as a trade or business, so it’s important to confirm if they are eligible for the actual deduction

Schedule E

Supplemental Income and Loss from Rental Real Estate

PLANNING FOR RENTAL REAL ESTATE

If clients have rental properties, Schedule E will contain information on income and expenses tied to those properties. A good area to review is confirming that clients are capitalizing the property and taking the appropriate depreciation.

Rental properties may also bring up other planning opportunities such as cash flow in retirement, the impact of a potential sale, ownership of the properties and asset protection.

Part I **Income or Loss From Rental Real Estate and Royalties**
Note: If you are in the business of renting personal property, use **Schedule C**. See instructions. If you are an individual, report farm rental income or loss from **Form 4835** on page 2, line 40.

A Did you make any payments in 2023 that would require you to file Form(s) 1099? See instructions . . . . . ☐ **Yes** ☐ **No**
B If "Yes," did you or will you file required Form(s) 1099? . . . . ☐ **Yes** ☐ **No**

1a	Physical address of each property (street, city, state, ZIP code)
A	
B	
C	

1b	Type of Property (from list below)	**2** For each rental real estate property listed above, report the number of fair rental and personal use days. Check the QJV box only if you meet the requirements to file as a qualified joint venture. See instructions.		**Fair Rental Days**	**Personal Use Days**	**QJV**
A			**A**			☐
B			**B**			☐
C			**C**			☐

Type of Property:
1 Single Family Residence
2 Multi-Family Residence
3 Vacation/Short-Term Rental
4 Commercial
5 Land
6 Royalties
7 Self-Rental
8 Other (describe)

			Properties: A	B	C
Income:					
3	Rents received	**3**			
4	Royalties received	**4**			
Expenses:					
5	Advertising	**5**			
6	Auto and travel (see instructions)	**6**			
7	Cleaning and maintenance	**7**			
8	Commissions	**8**			
9	Insurance	**9**			
10	Legal and other professional fees	**10**			
11	Management fees	**11**			
12	Mortgage interest paid to banks, etc. (see instructions)	**12**			
13	Other interest	**13**			
14	Repairs	**14**			
15	Supplies	**15**			
16	Taxes	**16**			
17	Utilities	**17**			
18	Depreciation expense or depletion	**18**			
19	Other (list)	**19**			
20	Total expenses. Add lines 5 through 19	**20**			
21	Subtract line 20 from line 3 (rents) and/or 4 (royalties). If result is a (loss), see instructions to find out if you must file **Form 6198**	**21**			
22	Deductible rental real estate loss after limitation, if any, on **Form 8582** (see instructions)	**22**	( )	( )	( )

Reviewing a Tax Return for Planning Opportunities

2. Other Forms to Review

Other Forms to Review

Capital Losses, IRA Contributions and Health Savings Accounts

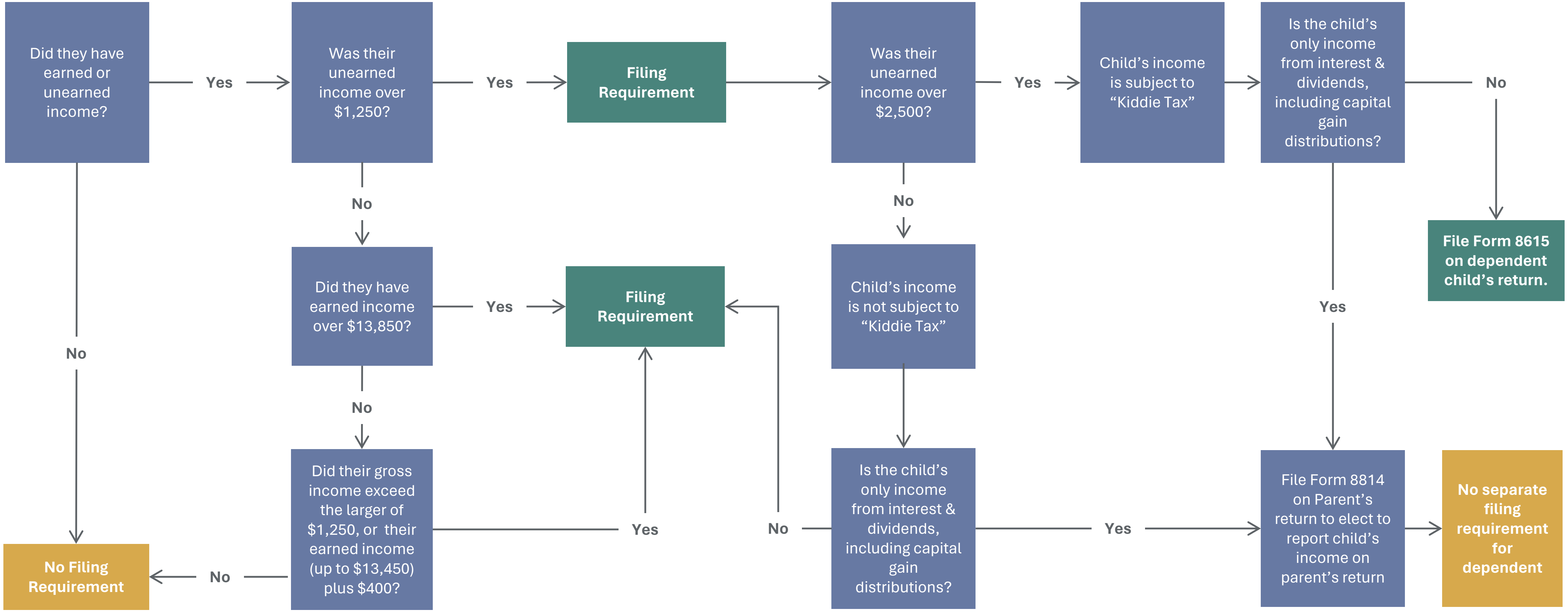
CAPITAL LOSS CARRY FORWARD	▪ For clients that have significant capital loss carry forward losses, it's important to review this form to confirm how much is available.
IRA CONTRIBUTIONS	▪ Form 8606 shows various contributions and distributions to IRAs. For example, nondeductible contributions, conversions and distributions. ▪ If clients have existing IRA assets and perform a back-door Roth conversion during the tax year, be aware of the pro-rata rule.
HEALTH SAVINGS ACCOUNTS	▪ From 8889 shows contributions and distributions from Health Savings Accounts. ▪ This form can be used to confirm any employer contributions that were made to a Health Savings Account on behalf of the employee.

Reviewing a Tax Return for Planning Opportunities

3. When Do Kids Need to File a Tax Return?

When Do Kids Need to File a Tax Return?

Scenarios Where Dependent Children May Need to File



Reviewing a Tax Return for Planning Opportunities

4. Proactive Tax Planning

Proactive Tax Planning

Planning For The Future While Reviewing The Past

THE ADVANTAGE OF THE ADVISOR

- Advisors are in the unique position that they often know more about certain taxable and non-taxable events than the CPA.
- When reviewing the prior year's tax return, apply what you know about the prior year to the current year.

QUESTIONS AND SCENARIOS TO CONSIDER

- When does social security start? When do RMDs start? How does that impact the return?
- Will there be a significant income change this year such as a severance package or sale of a business? If so, this can be an opportunity to make large charitable gifts.
- Will Stock Option vesting/exercising cause a pop in income? Review withholdings and if adjustments could be made.
- Health Savings Accounts, 401(k)s, business expenses and what is changing in the future? Are W2 employees taking advantage of everything they can to help with taxes?

Reviewing A Tax Return for Planning Opportunities

5. Holistiplan: Review and Case Study

Holistiplan Key Features

- OCR technology reads an individual 1040 and schedules in a matter of seconds and creates customized, **white labeled Tax Report with relevant Observations**
- **Scenario Analysis** allows advisors to quickly model planning scenarios and identify key income breakpoints for opportunities such as Roth conversions, tax-efficient distributions, charitable giving, and more
- Additional customized **client deliverables** are available for Roth conversions, charitable strategies (QCD and DAF), and tax prep season
- **Eliminates most data entry** and creates massive efficiencies while being both comprehensive and intuitive
- Lowers barriers to entry for advisors in growth mode and helps advisors scale tax planning to more clients (raising the planning bar across Corient)

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Holistiplan Tax Report

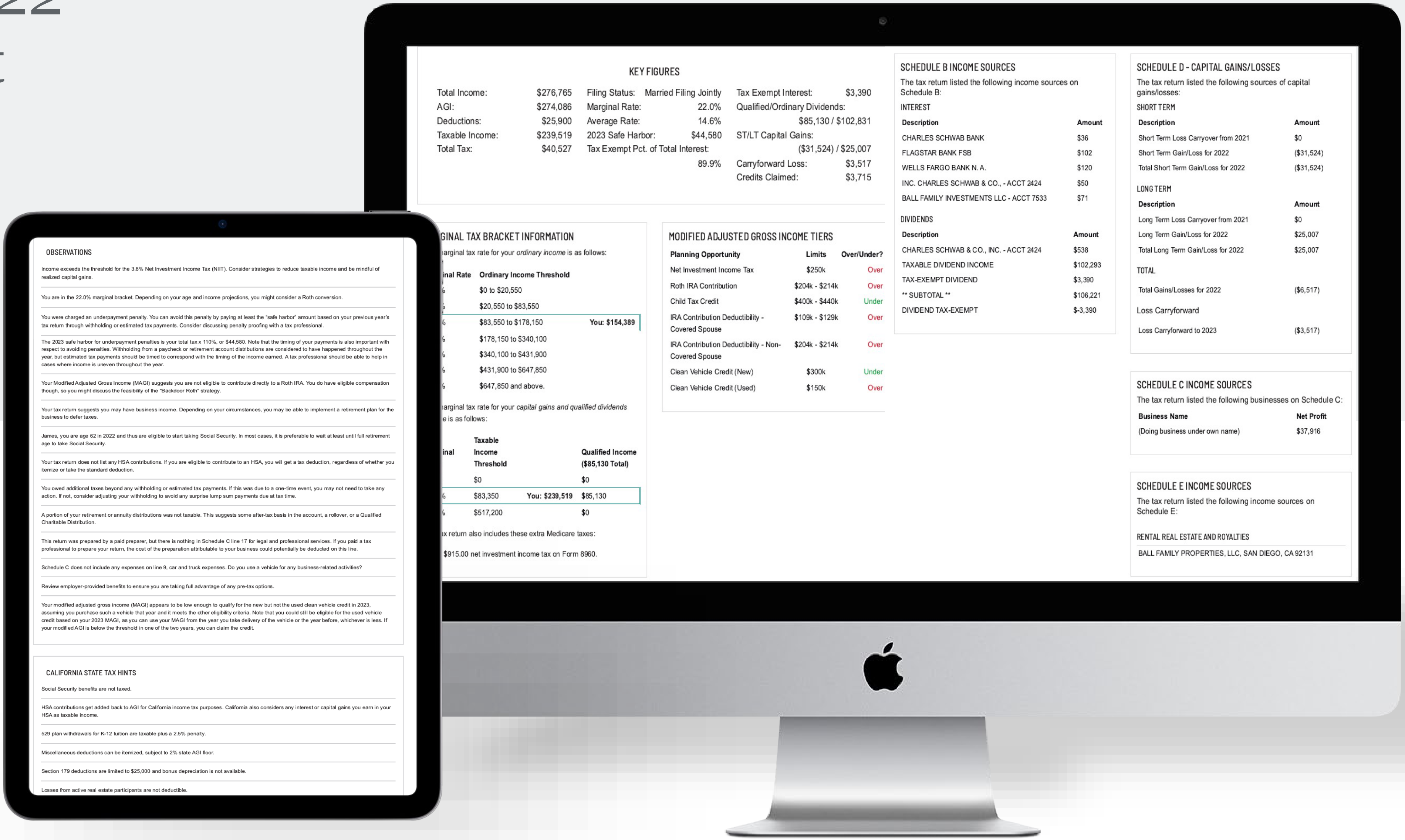
Uses of Tax Report

Summary of client's income tax situation	▪ AGI, Taxable Income, Marginal/Average Tax Rates, Deductions, Carryforward Losses, etc. ▪ Identification and Overview of Income Sources

Review of Common Planning Opportunities	▪ "Observations"
	  ▪ Federal and State-specific
	  ▪ Integrated with Kitces.com: planning observations with related website content

Client or CPA Touchpoint	▪ Corient-branded, customizable deliverable

Corient 2022 Tax Report



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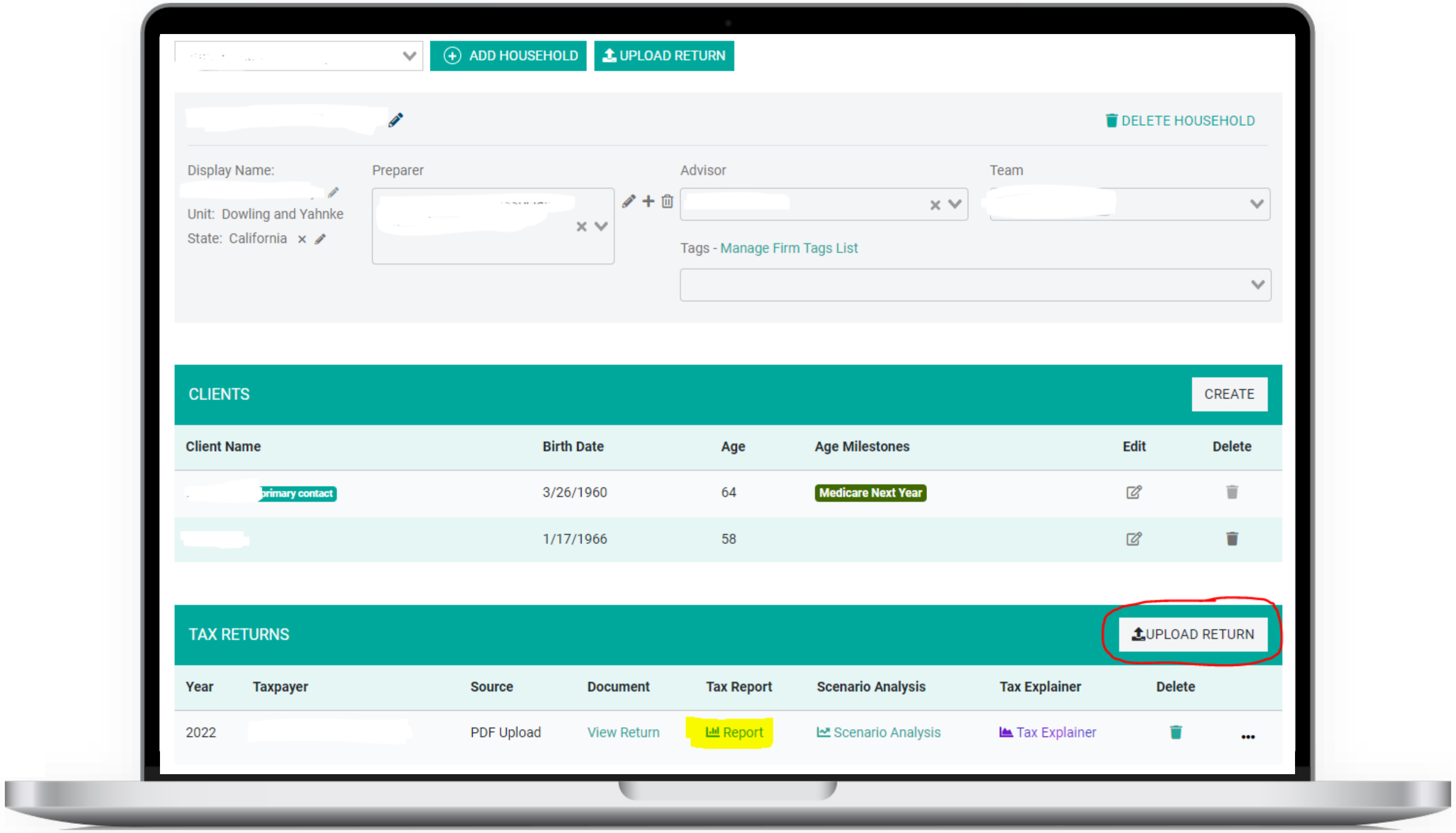
Accessing the Tax Report

1. Upload Tax Return

2. Go to Client Household

3. Tax Report or “Report”
   - Tax Reports for future years also available within “Scenario Analysis”



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Holistiplan Tax Scenario Analysis

Uses of Scenario Analysis

CONCEPTUAL

- Illustration of current and future income
  - Compare/project income levels to help communicate planning opportunities.

TACTICAL

- Identify amounts to convert, donate, realize, exercise, etc.
  - Model tax planning strategies to refine items for execution.

COORDINATION

- Deliverable analyses can facilitate opportunities for collaboration.
  - Tax planning (Advisors/Planners) vs. tax preparation (Accountant/CPA).

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Roth Conversions

Holistiplan Tax Scenario Analysis

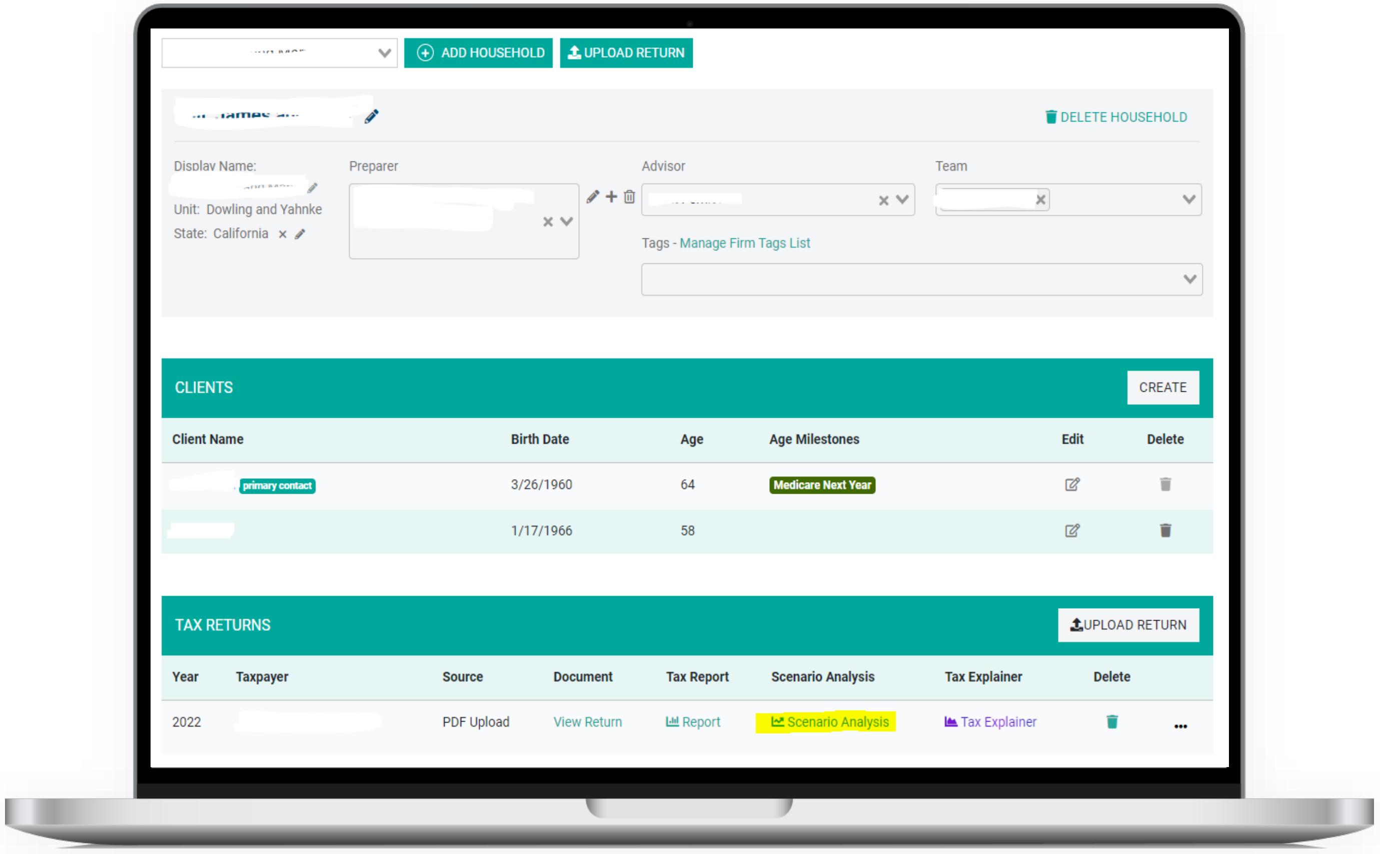
SCENARIO ANALYSIS

Roth Conversions Client Case Study Fact Pattern

- Married Couple
- Spouse 1 (age 63) retired, Spouse 2 (age 59) still working.
- Total Traditional IRA/401k assets of ~$3M (Spouse 1: $1.5M, Spouse 2: $1.5M).
- Spouse 2 has $145k/year pension starting at age 65.
- Spouse 1 RMD Age (73 in 2033), Spouse 2 RMD Age (73 in 2039).
- Joint Taxable Assets of $6.1M.

Scenario Analysis

Scenario 1: Tax Year 2022



Note – Calculations are not audited and should be reviewed with a tax professional

GENERAL INFORMATION	
Year	2022
Calculation	Current Law
Inflation Assumption	Married Filing Jointly
INCOME	
1040 INCOME	
Wages	$138,639
Tax-Exempt Interest	$3,390
Taxable Interest	$379
Qualified Dividends	$85,130
Total Dividends (incl. Qualified)	$102,831
SCHEDULE D INCOME	
Short Term Capital Gains	-$31,524 *ST loss to carry forward: $3,517*
Long Term Capital Gains	$25,007 *LT loss to carry forward: $0*
Total Capital Gains	-$3,000
SCHEDULE 1 INCOME	
Schedule C Income	$37,916
Total Income	$276,765
Schedule 1 Deductions	$2,679
Adjusted Gross Income	$274,086
Standard / Itemized Deductions	$25,900 *(standard)*
QBI Deduction	$8,667
Taxable Income	$239,519

Corient Scenario Analysis

Scenario 1: 2024 baseline

FILING STATUS / AGE / DEPENDENTS	
Filing Status	Married Filing Jointly
INCOME	
1040 INCOME	
Wages	$165,000
Tax-Exempt Interest	$4,000
Taxable Interest	$500
Qualified Dividends	$120,000
Total Dividends (incl. Qualified)	$135,000
IRA Distributions	$0
Taxable Pensions & Annuities	$0
Gross Social Security	$0
Taxable Social Security	$0
SCHEDULE D INCOME	
Long Term Capital Gains	$10,000 *LT loss to carry forward: $0*
Total Capital Gains	$10,000
SCHEDULE 1 INCOME	
AMT	$0
Total Income	$310,500
SCHEDULE 1 DEDUCTIONS (ABOVE THE LINE)	
Schedule 1 Deductions	$0
Adjusted Gross Income	$310,500
SCHEDULE A – ITEMIZED DEDUCTIONS	
Deduction Type to Take	Optimal Deduction
Standard / Itemized Deductions	$29,200 *(standard)*
QBI DEDUCTION CALCULATION	
Exemptions	
Taxable Income	$281,300

Note – Calculations are not audited and should be reviewed with a tax professional

Corient Scenario Analysis

	SCENARIO 1 2024 Baseline	SCENARIO 2 2033 – Jim starts RMDs (age 73)	SCENARIO 3 2039 – Both RMDs (both age 73+)
FILING STATUS / AGE / DEPENDENTS			
Filing Status	Married Filing Jointly		
INCOME			
1040 INCOME			
Wages	$165,000		
Tax-Exempt Interest	$4,000		
Taxable Interest	$500		
Qualified Dividends	$120,000		
Total Dividends (incl. Qualified)	$135,000		
IRA Distributions	$0		
Taxable Pensions & Annuities	$0		
Gross Social Security	$0		
Taxable Social Security	$0		
SCHEDULE D INCOME			
Long Term Capital Gains	$10,000 *LT loss to carry forward: $0*		
Total Capital Gains	$10,000		
SCHEDULE 1 INCOME			
AMT	$0		
Total Income	$310,500		
SCHEDULE 1 DEDUCTIONS (ABOVE THE LINE)			
Schedule 1 Deductions	$0		
Adjusted Gross Income	$310,500		
SCHEDULE A – ITEMIZED DEDUCTIONS			
Deduction Type to Take	Optimal Deduction		
Standard / Itemized Deductions	$29,200 *(standard)*		
QBI DEDUCTION CALCULATION			
Exemptions			
Taxable Income	$281,300		

Note – Calculations are not audited and should be reviewed with a tax professional

Corient Scenario Analysis

	SCENARIO 1 2024 Baseline	SCENARIO 2 2033 – Jim starts RMDs (age 73)	SCENARIO 3 2039 – Both RMDs (both age 73+)
FILING STATUS / AGE / DEPENDENTS			
Filing Status	Married Filing Jointly	Married Filing Jointly	Married Filing Jointly
INCOME			
1040 INCOME			
Wages	$165,000	$0	$0
Tax-Exempt Interest	$4,000	$4,000	$4,000
Taxable Interest	$500	$500	$500
Qualified Dividends	$120,000	$120,000	$120,000
Total Dividends (incl. Qualified)	$135,000	$135,000	$135,000
IRA Distributions	$0	$95,000	$270,000
Taxable Pensions & Annuities	$0	$146,000	$146,000
Gross Social Security	$0	$50,000	$100,000
Taxable Social Security	$0	$42,500	$85,000
SCHEDULE D INCOME			
Long Term Capital Gains	$10,000 *LT loss to carry forward: $0*	$10,000 *LT loss to carry forward: $0*	$10,000 *LT loss to carry forward: $0*
Total Capital Gains	$10,000	$10,000	$10,000
SCHEDULE 1 INCOME			
AMT	$0	$0	$2,334
Total Income	$310,500	$429,000	$646,500
SCHEDULE 1 DEDUCTIONS (ABOVE THE LINE)			
Schedule 1 Deductions	$0	$0	$0
Adjusted Gross Income	$310,500	$429,000	$646,500
SCHEDULE A – ITEMIZED DEDUCTIONS			
Deduction Type to Take	Optimal Deduction	Optimal Deduction	Optimal Deduction
Standard / Itemized Deductions	$29,200 *(standard)*	$20,050 *(standard)*	$20,050 *(standard)*
QBI DEDUCTION CALCULATION			
Exemptions		$11,700	$0
Taxable Income	$281,300	$397,250	$626,450

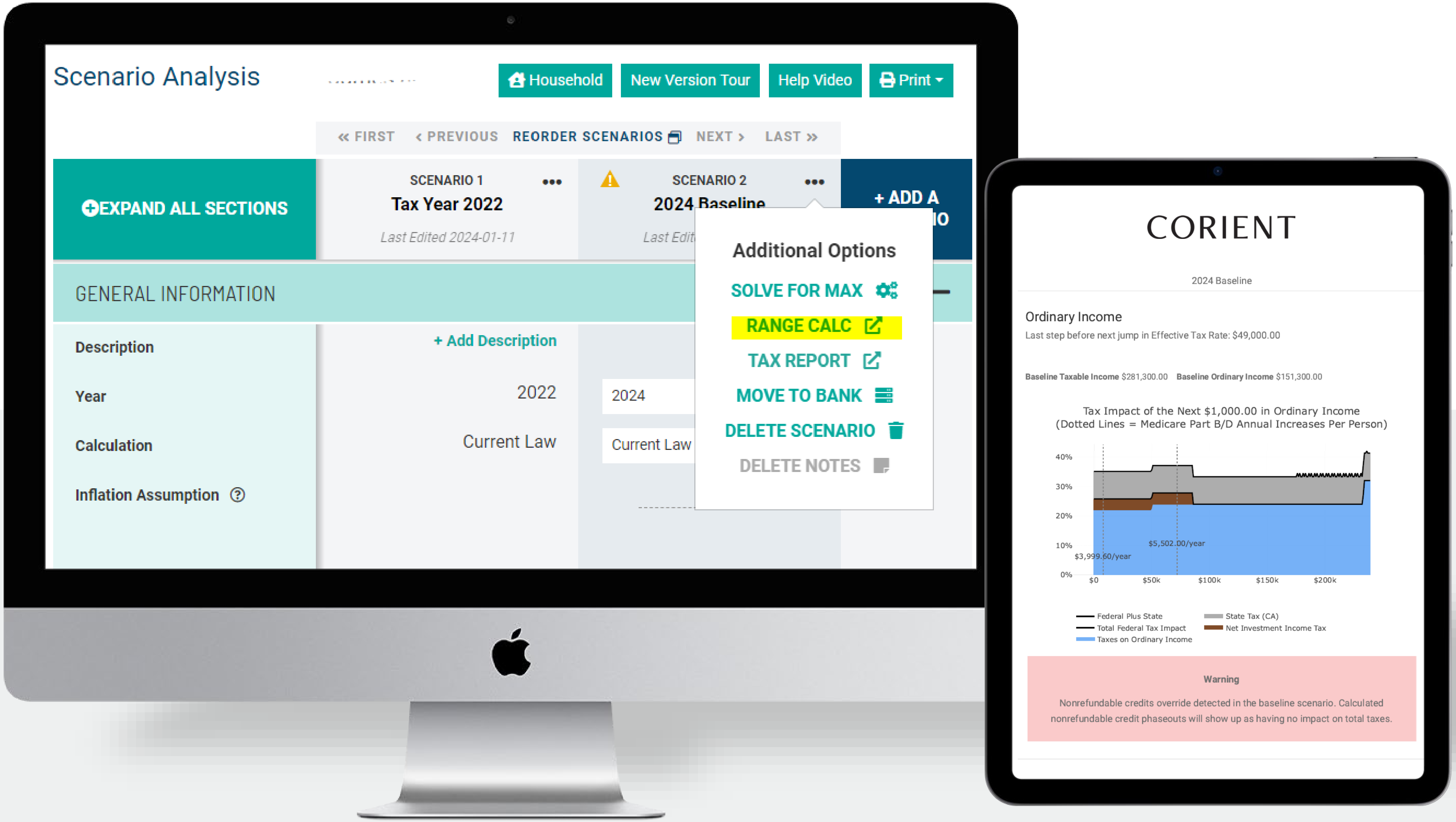
Note – Calculations are not audited and should be reviewed with a tax professional

	SCENARIO 1 2024 Baseline	SCENARIO 2 2033 – Jim starts RMDs (age 73)	SCENARIO 3 2039 – Both RMDs (both age 73+)
NONREFUNDABLE TAX CREDITS			
OTHER TAXES			
SCHEDULE SE – SELF EMPLOYMENT DETAIL			
FORM 8959 – ADDITIONAL MEDICARE TAX			
Medicare Wages – Line 1	$230,000	$0	$0
FORM 8960 – NET INVESTMENT INCOME TAX			
Net Investment Income Tax	$2,299	$5,529	$5,529
ADDITIONAL TAXES			
Total Tax	$45,191	$81,012	$155,567
Marginal Bracket	22.0%	28.0%	28.0%
Effective Rate	16.1%	20.4%	24.8%

Conceptual

Current income < Future Income

	SCENARIO 1 2024 Baseline	SCENARIO 2 2033 – Jim starts RMDs (age 73)	SCENARIO 3 2039 – Both RMDs (both age 73+)
NONREFUNDABLE TAX CREDITS			
OTHER TAXES			
SCHEDULE SE – SELF EMPLOYMENT DETAIL			
FORM 8959 – ADDITIONAL MEDICARE TAX			
Medicare Wages – Line 1	$230,000	$0	$0
FORM 8960 – NET INVESTMENT INCOME TAX			
Net Investment Income Tax	$2,299	$5,529	$5,529
ADDITIONAL TAXES			
Total Tax	$45,191	$81,012	$155,567
Marginal Bracket	22.0%	28.0%	28.0%
Effective Rate	16.1%	20.4%	24.8%


Scenario Analysis
Household
New Version Tour
Help Video
Print
« FIRST
‹ PREVIOUS
REORDER SCENARIOS
NEXT ›
LAST »
EXPAND ALL SECTIONS
SCENARIO 1
Tax Year 2022
Last Edited 2024-01-11
SCENARIO 2
2024 Baseline
+ ADD A
GENERAL INFORMATION
Description
+ Add Description
Year
2022
2024
Calculation
Current Law
Current Law
Inflation Assumption
Additional Options
SOLVE FOR MAX
RANGE CALC
TAX REPORT
MOVE TO BANK
DELETE SCENARIO
DELETE NOTES
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2024 Baseline
Ordinary Income
Last step before next jump in Effective Tax Rate: $49,000.00
Baseline Taxable Income $281,300.00 Baseline Ordinary Income $151,300.00
Tax Impact of the Next $1,000.00 in Ordinary Income
(Dotted Lines = Medicare Part B/D Annual Increases Per Person)
40%
30%
20%
10%
0%
$5,502.00/year
$3,999.60/year
$0
$50k
$100k
$150k
$200k
Federal Plus State
Total Federal Tax Impact
Taxes on Ordinary Income
State Tax (CA)
Net Investment Income Tax
Warning
Nonrefundable credits override detected in the baseline scenario. Calculated nonrefundable credit phaseouts will show up as having no impact on total taxes.

Corient Scenario Analysis

	SCENARIO 1 2024 Baseline	SCENARIO 2 2024 – up to Medicare IRMAA	SCENARIO 3 2024 – fill up 22% Federal Rate	SCENARIO 4 2024 – fill up 24% Federal Rate
FILING STATUS / AGE / DEPENDENTS				
Filing Status	Married Filing Jointly	Married Filing Jointly	Married Filing Jointly	Married Filing Jointly
INCOME				
1040 INCOME				
Wages	$165,000	$165,000	$165,000	$165,000
Tax-Exempt Interest	$4,000	$4,000	$4,000	$4,000
Taxable Interest	$500	$500	$500	$500
Qualified Dividends	$120,000	$120,000	$120,000	$120,000
Total Dividends (incl. Qualified)	$135,000	$135,000	$135,000	$135,000
Roth Conversion	$0	$7,000	$49,000	$170,000
Taxable Income STATE TAX - CA	$281,300	$288,300	$330,300	$451,300
ADDITIONAL TAXES				
Total Tax	$45,191	$46,997	$57,833	$88,226
Marginal Bracket	22.0%	22.0%	22.0%	24.0%
Effective Rate	16.1%	16.3%	17.5%	19.5%
State Tax	$20,697	$21,348	$25,254	$36,507
Marginal Bracket	9.30%	9.30%	9.30%	9.30%
ACA Premium Tax Credit Eligibility	Not eligible for credit if not enrolled in marketplace plan	Not eligible for credit if not enrolled in marketplace plan	Not eligible for credit if not enrolled in marketplace plan	Not eligible for credit if not enrolled in marketplace plan
MAGI for Medicare Premium Increases	$314,500	$321,500	$363,500	$484,500
Medicare Part B Premium Increase	$175	$175	$280	$384
Medicare Part D Premium Increase	$33	$33	$54	$74

Note – Calculations are not audited and should be reviewed with a tax professional

Corient Scenario Analysis

CONCEPTUAL TO TACTICAL

Current income < Future Income

=Opportunities for current year Roth Conversions

	SCENARIO 1 2024 Baseline	SCENARIO 2 2024 – up to Medicare IRMAA	SCENARIO 3 2024 – fill up 22% Federal Rate	SCENARIO 4 2024 – fill up 24% Federal Rate
FILING STATUS / AGE / DEPENDENTS				
Filing Status	Married Filing Jointly	Married Filing Jointly	Married Filing Jointly	Married Filing Jointly
INCOME				
1040 INCOME				
Wages	$165,000	$165,000	$165,000	$165,000
Tax-Exempt Interest	$4,000	$4,000	$4,000	$4,000
Taxable Interest	$500	$500	$500	$500
Qualified Dividends	$120,000	$120,000	$120,000	$120,000
Total Dividends (incl. Qualified)	$135,000	$135,000	$135,000	$135,000
Roth Conversion	$0	$7,000	$49,000	$170,000
Taxable Income STATE TAX - CA	$281,300	$288,300	$330,300	$451,300
ADDITIONAL TAXES				
Total Tax	$45,191	$46,997	$57,833	$88,226
Marginal Bracket	22.0%	22.0%	22.0%	24.0%
Effective Rate	16.1%	16.3%	17.5%	19.5%
State Tax	$20,697	$21,348	$25,254	$36,507
Marginal Bracket	9.30%	9.30%	9.30%	9.30%
ACA Premium Tax Credit Eligibility	Not eligible for credit if not enrolled in marketplace plan	Not eligible for credit if not enrolled in marketplace plan	Not eligible for credit if not enrolled in marketplace plan	Not eligible for credit if not enrolled in marketplace plan
MAGI for Medicare Premium Increases	$314,500	$321,500	$363,500	$484,500
Medicare Part B Premium Increase	$175	$175	$280	$384
Medicare Part D Premium Increase	$33	$33	$54	$74

Note – Calculations are not audited and should be reviewed with a tax professional

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Holistiplan Tax Scenario Analysis

Charitable and Equity Compensation Planning

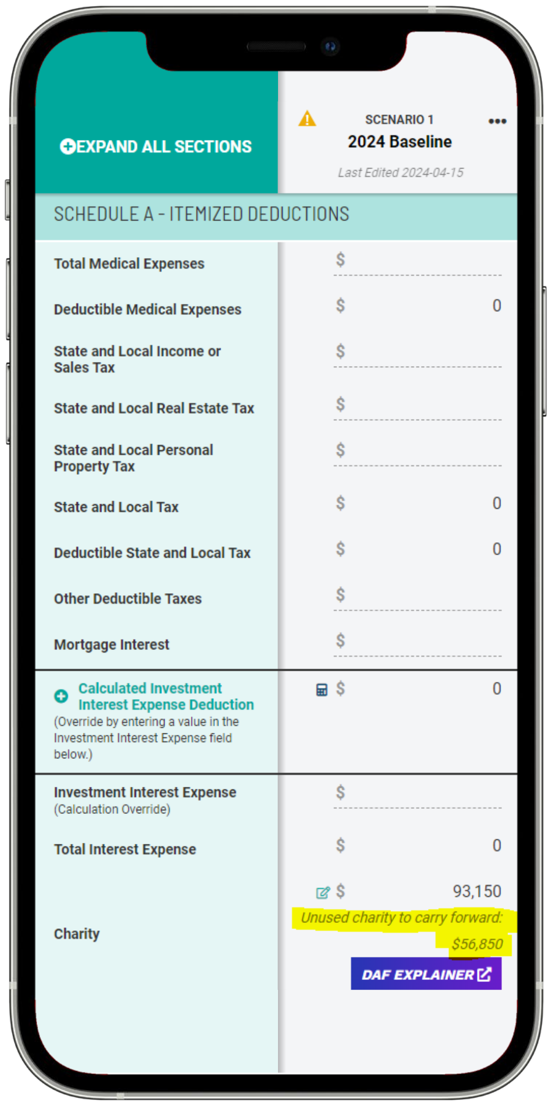
Charitable Planning

Cash vs. Appreciated Securities

CHARITY WORKSHEET

Cash Donated to 50% Limit Organizations (60% AGI limit per TCJA)	
NOTE: Most cash contributions to charity will belong in this field.↑	
Non-Cash Non-Capital Gains Donations to 50% Limit Organizations (50% AGI limit)	
Cash and Non-Cash Donations to Non-50% Limit Organizations (30% AGI limit)	
Capital Gains Donations to 50% Limit Organizations (30% AGI limit)	$150,000
Capital Gains Donations to Non-50% Limit Organizations (20% AGI limit)	

Calculated Deduction: $93,150



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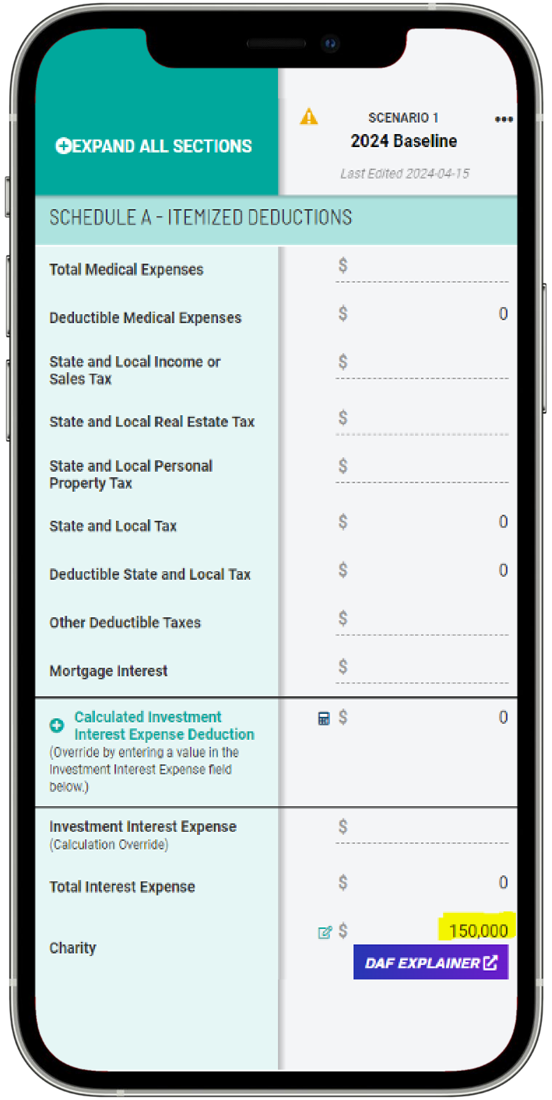
Charitable Planning

Cash vs. Appreciated Securities

CHARITY WORKSHEET

Cash Donated to 50% Limit Organizations (60% AGI limit per TCJA)	$75,000
NOTE: Most cash contributions to charity will belong in this field. ↑	
Non-Cash Non-Capital Gains Donations to 50% Limit Organizations (50% AGI limit)	
Cash and Non-Cash Donations to Non-50% Limit Organizations (30% AGI limit)	
Capital Gains Donations to 50% Limit Organizations (30% AGI limit)	$75,000
Capital Gains Donations to Non-50% Limit Organizations (20% AGI limit)	

Calculated Deduction: $150,000



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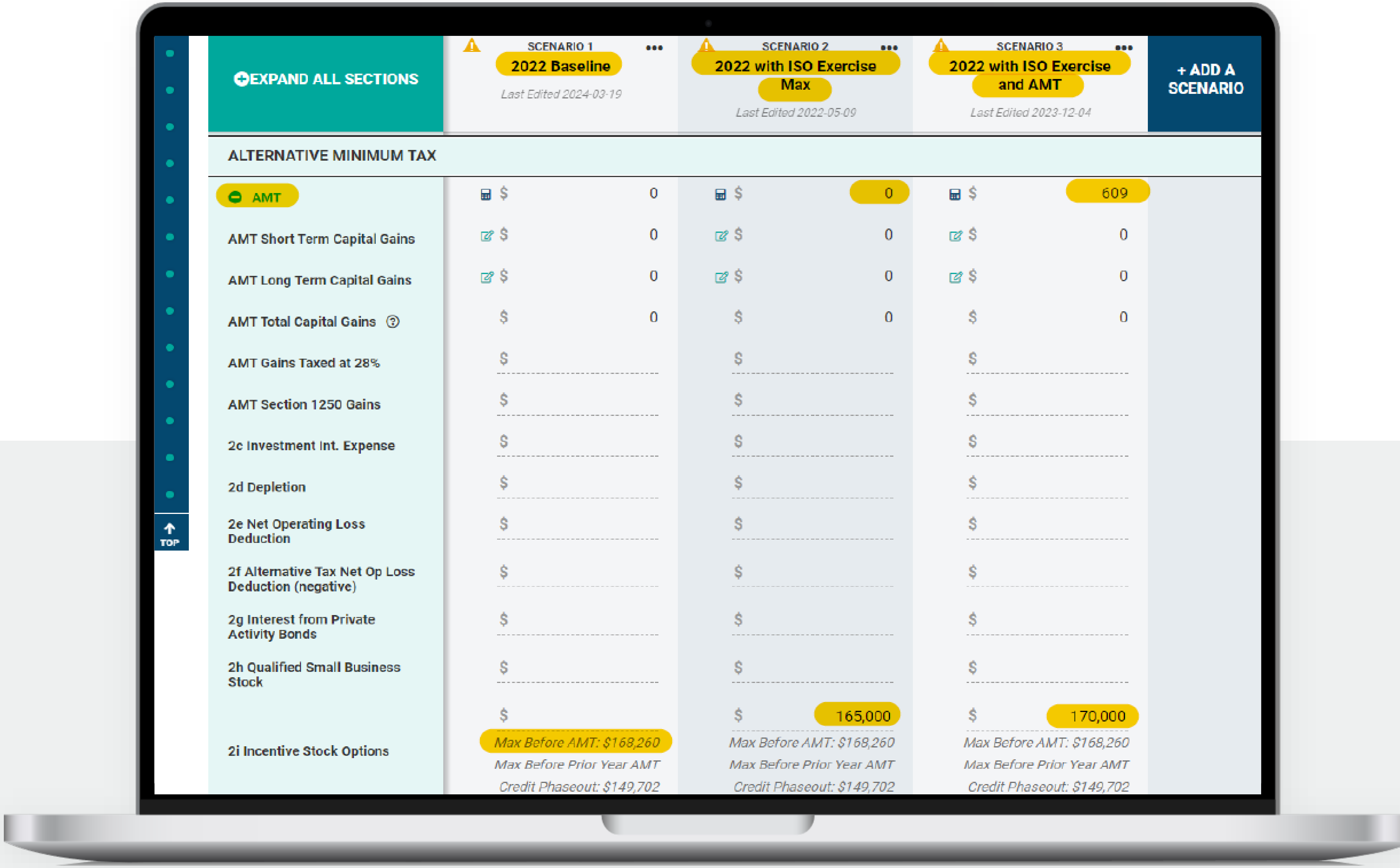
Equity Compensation Planning

AMT Planning: ISO Exercises



EXPAND ALL SECTIONS	SCENARIO 1 2022 Baseline Last Edited 2024-03-19	SCENARIO 2 2022 with ISO Exercise Max Last Edited 2022-05-09	SCENARIO 3 2022 with ISO Exercise and AMT Last Edited 2023-12-04	+ ADD A SCENARIO
ALTERNATIVE MINIMUM TAX				
AMT	$ 0	$ 0	$ 609	
AMT Short Term Capital Gains	$ 0	$ 0	$ 0	
AMT Long Term Capital Gains	$ 0	$ 0	$ 0	
AMT Total Capital Gains	$ 0	$ 0	$ 0	
AMT Gains Taxed at 28%	$	$	$	
AMT Section 1250 Gains	$	$	$	
2c Investment Int. Expense	$	$	$	
2d Depletion	$	$	$	
2e Net Operating Loss Deduction	$	$	$	
2f Alternative Tax Net Op Loss Deduction (negative)	$	$	$	
2g Interest from Private Activity Bonds	$	$	$	
2h Qualified Small Business Stock	$	$	$	
2i Incentive Stock Options	$ Max Before AMT: $168,260 Max Before Prior Year AMT Credit Phaseout: $149,702	$ 165,000 Max Before AMT: $168,260 Max Before Prior Year AMT Credit Phaseout: $149,702	$ 170,000 Max Before AMT: $168,260 Max Before Prior Year AMT Credit Phaseout: $149,702	

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Knowledge Base
and Video Library

User guides and webinar recordings

Holistiplan@corient.com

User setup and general inquiries

Regional Directors of
Wealth Planning

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Reviewing a Tax Return for Planning Opportunities

Thank You