

# YOU'RE DOING IT WRONG

To: YOU

Subject: **You are the income producing machine that is funding an entire industry that is in bed with the IRS**

Traditional financial planning is wrong, reckless, and in most cases fraudulent. I can prove this to you mathematically and legislatively. Wall Street and Congress are banking on the stupidity of the masses by pocketing trillions in fee-based accounts and leveraging your qualified taxable money as their accounts receivable. With trillions in retirement accounts, not yet taxed, **congress can spend money it does not have and bail itself out by increasing the taxes owed on your money.** You currently have no idea what tax rate you will pay on your 401(k) distributions and/or IRA distributions. What you do know is that you want to make more money in the future, or will have to, and you speculate that our tax brackets will likely increase over time. Both scenarios will impact your taxable retirement accounts and yet you blindly defer your tax bill because you were told to "take control of your retirement." Wall Street encourages these types of accounts so they can collect 1-2% annually in fees. Taxes and fees are eroding your retirement right now.

The *Retail Portfolio* (this is probably you): IRAs, 401(k), brokerage account, pensions, real estate, and social security. Some combination of this basic portfolio encompasses 90% of Americans. Here is what Americans are failing to realize. Distributions out of the IRA are taxed as income. Distributions out of the 401(k) are taxed as income. Distributions out of the non-qualifying brokerage account are taxed as capital gains, long or short, and if it's short-term capital gains, it's taxed as ordinary income. Your pension is taxed as income. Rental income from real estate is taxed as income. The appreciation of the real estate is taxed as a long- or short-term capital gain. Now, here is the kicker, **if you show provisional income from these sources, you are means tested and the IRS will double tax up to 85% of your social security as ordinary income.** Remember, you want your income to go up in the future and so will your tax bracket. You also believe that taxes will go up in the future. Ask yourself, if taxes go up and the economy recedes, what could happen to the value of my market-based portfolio?

The *Ideal Portfolio* (what I build for my clients) involves several assets and tax codes working together to avoid tax liability in the future. The portfolio can be completely tax exempt and/or tax free and does not have to report as provisional income or means testing. This means all your social security and Medicare premiums could be tax free. **By simply avoiding unnecessary market volatility, unnecessary fee-based advisory, and the IRS, I can significantly increase the output of your retirement using the exact same amount of money.** This strategy is not new. In fact, it is all around you. You will see it on the backbone of large banks and large

corporations. It will be referred to as golden parachutes and golden handcuffs or OPED (Other Post-Employment Benefits). These concepts refer to a strategy that the wealthy use for their tax liability. Ask yourself, what is that individual doing with their money that you are not. Chances are I have built them the *Ideal Portfolio*.

I have started a movement by educating as many people as possible about these tax efficient strategies. Working Americans are constantly getting stuck with the tax bill for reckless government spending. What tax bracket will you be in during your retirement? What will you pay in federal and state taxes? Do you have confidence in our system that your taxes will decrease in the future? Now, this movement is small and personal because we can only reach a limited amount of people one on one. However, our firm is growing fast, and people are getting on board quickly. We are also in the process of developing a nationwide capability to scale our methods to every American who will listen.

I would like to teach you these strategies right now. My firm can help you understand what *they* do not want you to know.

Is there a better way? You better believe it.