

Personal Tax Strategy Plan

Name: _____

Planning Period: _____

Date Prepared: _____

Last Updated: _____

1. Personal Financial Overview

Outline your current financial situation and expectations for the next 3-5 years.

Current Status

Current/Expected Filing Status: _____

Current/Expected Tax Bracket: _____

Anticipated Major Life Events (3-5 Year Horizon)

Check all that might apply within your planning period:

☐ College/Higher Education

☐ Job Change/Career
Advancement

☐ Significant Income Change

☐ Marriage

☐ Children

☐ Home Purchase

☐ Move to Different State

☐ Starting a Business

☐ Major Medical Expenses

Other anticipated events or changes:

2. Potential Tax Deductions

Identify tax deductions you may qualify for in the next 3-5 years and how you plan to maximize their benefit.

Potential Deduction	When I Expect to Qualify	Estimated Annual Value	Strategic Not

Strategic Deduction Planning

How will you optimize your deductions? Consider timing, bunching strategies, or threshold planning.

3. Potential Tax Credits

Identify tax credits you may qualify for in the next 3-5 years and how you plan to maximize their benefit.

Potential Credit	When I Expect to Qualify	Refundable or Nonrefundable	Estimated Annual Value	Strategic Notes

Strategic Credit Planning

How will you optimize your credits? Consider timing, eligibility requirements, or coordinating with other benefits.

4. Standard vs. Itemized Deduction Strategy

Analyze when you expect to use the standard deduction versus itemizing, and any strategies to optimize this choice.

Current Status

Current Choice: _____

Current Standard Deduction Amount: _____

Current/Potential Itemized Deduction Total: _____

Deduction Strategy by Year

Year	Anticipated Deduction Choice	Reason/Strategy
Year 1		
Year 2		
Year 3		
Year 4		
Year 5		

"Bunching" Strategy (if applicable)

If you plan to use "bunching" (concentrating deductions in certain years), describe your approach here.

5. Income and Expense Timing Strategies

Identify opportunities to strategically time income or expenses to optimize your tax situation.

Income Timing

Consider: bonus payments, stock sales, retirement distributions, etc.

Expense Timing

Consider: medical expenses, charitable contributions, business expenses, etc.

6. Retirement and Education Strategy

Outline your approach to tax-advantaged retirement and education savings, considering both current and future tax bene

Retirement Savings Strategy

Account Type	Current/Planned Contribution	Current Tax Benefit	Future Tax Implicati
Traditional IRA/401(k)			
Roth IRA/401(k)			
Other:			

Education Savings/Expense Strategy

Account/Expense Type	Current/Planned Amount	Tax Benefits	Strategic Note
529 Plan			
Coverdell ESA			
Education Credits/Deductions			
Student Loan Interest			

7. Record-Keeping Plan

Detail what records and documentation you need to maintain to support your tax strategy.

Essential Records to Maintain

Record-Keeping System

How will you organize and store tax-related documents and information?

8. Integration with Overall Financial Goals

Explain how your tax strategy connects to and supports your broader financial objectives.

Key Financial Goals

Tax Strategy Alignment

How does your tax planning help you achieve these goals?

9. Strategy Review and Update Plan

Outline when and how you will review and update your tax strategy.

Regular Review Schedule

Triggering Events for Review

Which life or financial changes would prompt an immediate review of your strategy?

10. Summary of Key Tax Strategies

Summarize the 3-5 most important elements of your overall tax strategy.

Note: This plan is for educational purposes only and does not constitute tax advice. Tax laws change regularly. Review your strategy with a qualified tax professional before implementation.

PFL Academy - Chapter 2.4: Understanding Tax Deductions and Credits