

# LEARN | 3 Questions for Tax-Smart Planning

While many investors think of tax season as an April-only event, tax-smart planning happens all year long.

## Key Takeaway

Clients' responses to these questions can help you identify the steps needed to help build better tax outcomes.

## 3 Questions to Ask Your Clients

Learn more about why it's important to raise the topic of tax-smart planning in your conversations.

**1**

### Question

Are you paying enough, through withholding or quarterly payments, to avoid underpayment penalties and surprises?

### Why Ask This?

By adjusting withholding and quarterly payments to align with estimated tax liabilities, clients may be able to avoid unwanted surprises or penalties, and they can have better control over their cash flows.

**2**

### Question

Are you maximizing your contributions to retirement and health savings accounts (HSAs)?

### Why Ask This?

Clients interested in minimizing their taxable income should consider making contributions to traditional retirement accounts and HSAs as a way to benefit from tax-deferred growth.

**3**

### Question

Do you know how to incorporate tax management and tax efficiency into your financial plan?

### Why Ask This?

Explain how incorporating tax-smart strategies—such as charitable giving, systematic tax-loss harvesting and tax-aware asset location—can help clients achieve a better tax experience.

## Next Step

Offer to work with clients' tax professionals to help ensure that (1) clients are taking advantage of opportunities to reduce their taxable income, and (2) investable assets are managed to maximize after-tax returns.

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