

BRIGHTADVISOR®

Tax-Efficient Investing Strategies

Minimize taxes, maximize after-tax returns. A comprehensive guide to tax brackets, asset location, tax-loss harvesting, and tax-advantaged accounts for 2026.

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Chapter 1: The Impact of Taxes on Returns

Taxes are one of the biggest drags on investment performance — yet they are one of the few factors you can actively manage. While you cannot control market returns, you can control how and where you invest to minimize the tax bite on your portfolio.

Consider this: an investor earning 8% annually in a taxable account who pays 24% on gains effectively earns about 6% after taxes. Over 30 years, the difference between 8% and 6% on a \$500,000 portfolio is staggering — approximately \$5 million versus \$2.9 million. Tax-efficient investing is not about avoiding taxes entirely; it is about keeping more of what you earn so compound growth can do its work.

Key Principle: It is not what you earn that matters — it is what you keep after taxes. Tax-efficient investing can add 0.5% to 1.5% or more to your effective annual return over time. Over decades, that difference compounds into hundreds of thousands of dollars.

The Three Pillars of Tax-Efficient Investing

1.

Tax-Efficient Asset Location: Placing the right investments in the right types of accounts (taxable, tax-deferred, tax-free).

2. Tax-Efficient Trading: Minimizing taxable events through strategies like tax-loss harvesting, holding period management, and avoiding short-term gains.
3. Tax-Advantaged Account Maximization: Fully utilizing 401(k)s, IRAs, Roth accounts, HSAs, and other tax-advantaged vehicles.

Understanding Your Tax Profile

Before implementing tax-efficient strategies, you need to understand your current tax situation. Key factors include:

- Your marginal federal tax bracket (the rate on your last dollar of income).
- Your state income tax rate (ranges from 0% in states like Texas and Florida to over 13% in California).
- Your capital gains tax rate (depends on income level and holding period).
- Whether you are subject to the Net Investment Income Tax (NIIT) of 3.8%.
- Your filing status (Single, Married Filing Jointly, Head of Household).
- Whether you expect your tax bracket to be higher, lower, or similar in future years.

The strategies in this guide are designed to work across different income levels and account types. However, the specific approach that works best for you depends on your individual circumstances. Consult with a tax professional before implementing any tax strategy.

Chapter 2: 2026 Federal Tax Brackets

The U.S. federal income tax system uses a progressive structure with seven tax brackets. Each bracket applies only to income within that range — not to your total income. The following tables show projected 2026 brackets based on inflation adjustments to the Tax Cuts and Jobs Act (TCJA) rates. Note: If the TCJA provisions sunset as scheduled, rates may revert to higher pre-2018 levels. Consult with a tax professional for the latest enacted rates.

Single Filers

Tax Rate	Taxable Income Range	Tax Owed
10%	\$0 - \$11,925	10% of taxable income
12%	\$11,926 - \$48,475	\$1,192.50 + 12% over \$11,925
22%	\$48,476 - \$103,350	\$5,578.50 + 22% over \$48,475
24%	\$103,351 - \$197,300	\$17,651.00 + 24% over \$103,350

32%	\$197,301 - \$252,525	\$40,199.00 + 32% over \$197,300
35%	\$252,526 - \$462,500	\$57,871.00 + 35% over \$252,525
37%	Over \$462,500	\$131,362.25 + 37% over \$462,500

Married Filing Jointly

Tax Rate	Taxable Income Range	Tax Owed
10%	\$0 - \$23,850	10% of taxable income
12%	\$23,851 - \$96,950	\$2,385.00 + 12% over \$23,850
22%	\$96,951 - \$206,700	\$11,157.00 + 22% over \$96,950
24%	\$206,701 - \$394,600	\$35,302.00 + 24% over \$206,700
32%	\$394,601 - \$505,050	\$80,398.00 + 32% over \$394,600
35%	\$505,051 - \$693,750	\$115,742.00 + 35% over \$505,050
37%	Over \$693,750	\$181,786.50 + 37% over \$693,750

Head of Household

Tax Rate	Taxable Income Range
10%	\$0 - \$17,000
12%	\$17,001 - \$64,850
22%	\$64,851 - \$103,350
24%	\$103,351 - \$197,300
32%	\$197,301 - \$252,525
35%	\$252,526 - \$462,500
37%	Over \$462,500

Important Note: These are projected 2026 brackets based on inflation indexing of 2025 figures. The TCJA is currently set to expire after 2025. If Congress does not extend the TCJA provisions, the 2026 brackets may revert to pre-2018 levels (with rates of 10%, 15%, 25%, 28%, 33%, 35%, and 39.6%). Monitor tax legislation closely and plan accordingly.

Standard Deduction (2026 Projected)

Filing Status	Standard Deduction	Additional for Age 65+ or Blind
Single	\$15,000 (projected)	+\$1,950
Married Filing Jointly	\$30,000 (projected)	+\$1,550 per qualifying spouse
Head of Household	\$22,500 (projected)	+\$1,950

Effective vs. Marginal Tax Rate

Your marginal tax rate is the rate applied to your last dollar of income. Your effective tax rate is the total tax paid divided by total income — and it is always lower than your marginal rate because of the progressive bracket structure. Understanding this distinction is crucial for tax planning decisions like Roth conversions and capital gains realization.

For example, a single filer with \$100,000 in taxable income is in the 22% marginal bracket, but their effective federal tax rate is approximately 17.2%. This means they still have room to realize additional income (such as a Roth conversion or capital gain) at 22% before moving into the 24% bracket at \$103,351.

Chapter 3: Capital Gains Tax Rates

Capital gains — the profit from selling an investment for more than you paid — are taxed differently depending on how long you held the investment. Understanding these rates is fundamental to tax-efficient investing.

Short-Term Capital Gains

Investments held for one year or less are taxed as short-term capital gains at your ordinary income tax rate (10% to 37%). This is why frequent trading can be so costly from a tax perspective.

Long-Term Capital Gains (Held Over 1 Year)

Rate	Single Filers	Married Filing Jointly	Head of Household
0%	Up to \$48,350	Up to \$96,700	Up to \$64,750
15%	\$48,351 - \$533,400	\$96,701 - \$600,050	\$64,751 - \$566,700
20%	Over \$533,400	Over \$600,050	Over \$566,700

Note: These thresholds are projected for 2026 based on inflation adjustments. The 0% rate is particularly powerful for retirees and those in lower tax brackets — it means you can realize capital gains completely tax-free.

Net Investment Income Tax (NIIT)

In addition to capital gains taxes, higher-income taxpayers may owe the 3.8% Net Investment Income Tax (also called the Medicare surtax) under IRC Section 1411. This applies to:

Filing Status	NIIT Threshold (MAGI)	Additional Tax
Single	\$200,000	3.8% on lesser of NII or excess MAGI over threshold
Married Filing Jointly	\$250,000	3.8% on lesser of NII or excess MAGI over threshold
Head of Household	\$200,000	3.8% on lesser of NII or excess MAGI over threshold

Net investment income includes capital gains, dividends, interest, rental income, and certain passive income. Note that the NIIT thresholds are NOT indexed for inflation and have remained unchanged since 2013.

Planning Opportunity: The 0% long-term capital gains rate creates a powerful strategy for retirees. If your taxable income (after deductions) falls below the 0% threshold, you can sell appreciated investments and pay zero federal tax on the gains. This is called "capital gains harvesting" — the opposite of tax-loss harvesting — and can be used to reset your cost basis to a higher level.

Collectibles and Other Special Rates

Certain types of assets have unique capital gains rates:

- Collectibles (art, coins, stamps, precious metals): taxed at a maximum rate of 28% for long-term gains.
- Qualified Small Business Stock (QSBS): under IRC Section 1202, gains from qualified stock held over 5 years may be partially or fully excluded from tax (up to \$10 million or 10x basis).

- Real Estate (Section 1250): Depreciation recapture on real property is taxed at a maximum rate of 25%.
- Opportunity Zone Investments: Under IRC Section 1400Z-2, gains invested in qualified opportunity zones may receive deferral and partial exclusion benefits.

Chapter 4: Tax-Loss Harvesting

Tax-loss harvesting is the practice of selling investments at a loss to offset capital gains and reduce your current-year tax bill. It is one of the most effective and widely used tax-efficient investing strategies.

How Tax-Loss Harvesting Works

1. Identify investments in your taxable account that have declined below your purchase price (unrealized losses).
2. Sell the losing position to "realize" the loss.
3. Use the realized loss to offset capital gains — first short-term gains (taxed at higher ordinary rates), then long-term gains.
4. If losses exceed gains, deduct up to \$3,000 per year (\$1,500 if married filing separately) against ordinary income.
5. Carry forward any unused losses to future tax years (indefinitely).
6. Reinvest the sale proceeds in a similar (but not "substantially identical") investment to maintain your portfolio allocation.

The Wash Sale Rule

The IRS wash sale rule (IRC Section 1091) prevents you from claiming a loss if you purchase a "substantially identical" security within 30 days before or after the sale. This creates a 61-day window (30 days before + sale date + 30 days after) during which you must avoid buying back the same or substantially identical investment.

- Selling Vanguard S&P 500 ETF (VOO) and buying iShares S&P 500 ETF (IVV) within 30 days — may be considered substantially identical (same index).
- Selling a total stock market fund and buying a large-cap growth fund — generally NOT substantially identical.
- The rule applies across ALL your accounts — including IRAs and spouse accounts.
- A wash sale does not eliminate the loss permanently; it adds the disallowed loss to the cost basis of the replacement shares.

Tax-Loss Harvesting Example

Action	Amount	Tax Impact
Short-term gain from stock sale	+\$15,000	Would owe ~\$3,600 (24% bracket)
Long-term gain from fund sale	+\$10,000	Would owe ~\$1,500 (15% rate)
Harvest loss from declining position	-\$20,000	Offsets \$15,000 ST + \$5,000 LT
Remaining LT gain	+\$5,000	Owe ~\$750 (15% rate)
Tax savings from harvesting	—	\$4,350 saved this year

Best Practice: Tax-loss harvesting should be done throughout the year, not just in December. Market declines at any time create harvesting opportunities. Many financial advisors and robo-advisors now automate this process, capturing losses whenever they materialize.

Carrying Forward Losses

If your net capital losses exceed your gains plus the \$3,000 ordinary income deduction, the excess carries forward to future years. This can be valuable in years when you have significant capital gains — such as selling a business, real estate, or concentrated stock position.

Tax-loss harvesting is only beneficial in taxable (non-retirement) accounts. Losses in a 401(k) or IRA have no tax impact because the entire account is either tax-deferred or tax-free. Focus your harvesting efforts on brokerage accounts.

Chapter 5: Asset Location Strategy

Asset location is the practice of placing different types of investments in the most tax-efficient account type. This is distinct from asset allocation (choosing the right mix of stocks, bonds, and other assets). Proper asset location can meaningfully improve your after-tax returns without changing your overall portfolio allocation.

The Three Account Types

- **Taxable Accounts (Brokerage):** Investments are subject to annual taxes on dividends, interest, and realized gains. However, you benefit from lower long-term capital gains rates and can harvest losses.

- Tax-Deferred Accounts (Traditional 401(k), Traditional IRA): No current taxes on growth, but all withdrawals are taxed as ordinary income — even if the growth came from capital gains or qualified dividends.
- Tax-Free Accounts (Roth IRA, Roth 401(k), HSA): No taxes on growth or qualified withdrawals. The most valuable "real estate" in your portfolio.

Recommended Asset Location

Investment Type	Tax Characteristics	Best Account Type
High-yield bonds / TIPS	Interest taxed as ordinary income	Tax-Deferred (401k/Trad IRA)
REITs	Dividends taxed as ordinary income	Tax-Deferred (401k/Trad IRA)
Actively managed funds (high turnover)	Frequent short-term gains	Tax-Deferred (401k/Trad IRA)
Taxable bond funds	Interest taxed as ordinary income	Tax-Deferred (401k/Trad IRA)
Small-cap growth stocks	High growth potential, few dividends	Tax-Free (Roth IRA)
International stocks (emerging)	High growth potential	Tax-Free (Roth IRA)
Growth-oriented equity funds	Long-term appreciation	Tax-Free (Roth IRA)
Total stock market index funds	Low turnover, qualified dividends	Taxable (Brokerage)
Tax-managed equity funds	Designed for tax efficiency	Taxable (Brokerage)
Individual stocks (buy & hold)	Control over gain realization	Taxable (Brokerage)
Municipal bonds	Federally tax-exempt interest	Taxable (Brokerage)

The Logic: Place your highest-growth investments in Roth accounts (where growth is permanently tax-free). Place your most tax-inefficient investments (those generating ordinary income) in tax-deferred accounts. Place your most tax-efficient investments in taxable accounts where you benefit from favorable capital gains rates.

The Foreign Tax Credit Consideration

International stock funds that pay foreign taxes may be best held in taxable accounts where you can claim the Foreign Tax Credit. In a tax-deferred or tax-free account, the foreign taxes are paid but you cannot claim the credit, resulting in a permanent loss.

Asset Location Limitations

Asset location is most effective when you have substantial balances across all three account types. If 90% of your savings are in a 401(k) and 10% in a Roth IRA, there is less room for optimization. Additionally, asset location should not override proper asset allocation — maintaining the right overall portfolio mix is more important than perfect asset location.

Chapter 6: Roth Conversion Ladder

A Roth conversion ladder is a multi-year strategy for systematically converting Traditional IRA or 401(k) funds to a Roth IRA. This strategy is particularly powerful during the years between retirement and the start of Social Security or RMDs, when taxable income is often at its lowest.

How the Ladder Works

1. Retire early or leave employment with significant Traditional IRA/401(k) balances.
2. Each year, convert a calculated amount from Traditional to Roth — enough to "fill up" lower tax brackets.
3. Pay income taxes on the converted amount from non-retirement funds.
4. Wait 5 years for each conversion to become penalty-free for withdrawal (if under 59 and a half).
5. After the 5-year seasoning period, access the converted funds tax-free and penalty-free.
6. Repeat annually, building a "ladder" of conversions that become accessible in sequence.

Roth Conversion Ladder Example

Year	Convert	Tax Bracket	Accessible (Penalty-Free)	Cumulative in Roth
Year 1 (Age 55)	\$50,000	12%	Year 6 (Age 60)	\$50,000
Year 2 (Age 56)	\$50,000	12%	Year 7 (Age 61)	\$100,000
Year 3 (Age 57)	\$50,000	12%	Year 8 (Age 62)	\$150,000
Year 4 (Age 58)	\$50,000	12%	Year 9 (Age 63)	\$200,000
Year 5 (Age 59)	\$50,000	12%	Year 10 (Age 64)	\$250,000

In this example, the retiree converts \$50,000 per year at the 12% bracket. After 5 years, the first conversion becomes accessible, and each subsequent year another conversion "unlocks." Over 10 years, \$500,000+ (including growth)

could be moved to the Roth at favorable tax rates, dramatically reducing future RMDs and providing a tax-free income source.

The 5-Year Rule: Each Roth conversion has its own 5-year clock for penalty-free access to the converted principal (applies only if you are under 59 and a half). After age 59 and a half, there is no penalty on any withdrawal regardless of the 5-year rule. Importantly, there is also a separate 5-year rule for earnings: the Roth IRA must have been open for at least 5 years before earnings can be withdrawn tax-free.

Ideal Scenarios for a Roth Conversion Ladder

- Early retirement before Social Security and RMDs — your income gap creates low-bracket conversion opportunities.
- Sabbatical or career transition year with temporarily low income.
- You expect tax rates to increase in the future (tax legislation changes, TCJA sunset).
- You want to minimize RMDs and the associated tax burden starting at age 73-75.
- You want to leave a tax-free inheritance to your heirs.

Chapter 7: Qualified Dividends

Qualified dividends receive the same favorable tax treatment as long-term capital gains (0%, 15%, or 20%), rather than being taxed as ordinary income. Understanding the qualification rules can help you make more tax-efficient investment decisions.

Qualification Requirements

- The dividend must be paid by a U.S. corporation or a qualifying foreign corporation.
- You must meet the holding period requirement: you must hold the stock for more than 60 days during the 121-day period beginning 60 days before the ex-dividend date.
- For preferred stock, the holding period is 90 days within a 181-day window.
- Most dividends from S&P 500 companies, total stock market index funds, and broad-based international funds qualify.

Dividends That Do NOT Qualify

- REIT dividends (taxed as ordinary income, though some qualify for the 20% pass-through deduction under Section 199A).

- Money market fund dividends (treated as interest income).
- Dividends from tax-exempt organizations.
- Dividends on shares held for too short a period.
- Most foreign dividends from non-treaty countries.
- Dividends from certain pass-through entities.

Tax Rate Comparison

Income Level (Single)	Ordinary Dividend Rate	Qualified Dividend Rate	Tax Savings
\$30,000 (12% bracket)	12%	0%	12 percentage points
\$80,000 (22% bracket)	22%	15%	7 percentage points
\$150,000 (24% bracket)	24%	15%	9 percentage points
\$300,000 (35% bracket)	35%	15%	20 percentage points
\$500,000 (37% bracket)	37%	20%	17 percentage points

Strategy: When investing in taxable accounts, favor funds that generate qualified dividends over those that generate ordinary income. Broad-based stock index funds typically pay mostly qualified dividends, while bond funds and REITs generate ordinary income that is better held in tax-advantaged accounts.

Chapter 8: Municipal Bonds

Municipal bonds ("munis") are debt securities issued by state and local governments. The interest earned on most municipal bonds is exempt from federal income tax, and may also be exempt from state and local taxes if you buy bonds issued in your state of residence.

Types of Municipal Bonds

- General Obligation (GO) Bonds: Backed by the full faith and credit (taxing power) of the issuing government. Generally considered very safe.
- Revenue Bonds: Backed by revenue from a specific project (toll road, hospital, airport). Higher yields but more risk than GO bonds.
-

Private Activity Bonds: Fund private projects but may be subject to the Alternative Minimum Tax (AMT). Verify AMT status before purchasing.

Tax-Equivalent Yield

To compare a municipal bond yield to a taxable bond yield, calculate the tax-equivalent yield using this formula:

Tax-Equivalent Yield = Municipal Yield / (1 - Marginal Tax Rate).

Municipal Yield	22% Bracket	24% Bracket	32% Bracket	35% Bracket	37% Bracket
3.00%	3.85%	3.95%	4.41%	4.62%	4.76%
3.50%	4.49%	4.61%	5.15%	5.38%	5.56%
4.00%	5.13%	5.26%	5.88%	6.15%	6.35%
4.50%	5.77%	5.92%	6.62%	6.92%	7.14%
5.00%	6.41%	6.58%	7.35%	7.69%	7.94%

Rule of Thumb: Municipal bonds make the most sense for investors in the 32% federal bracket and above. At lower brackets, taxable bonds may offer better after-tax yields. If you also avoid state taxes by buying in-state munis, the benefit is even greater for residents of high-tax states like California, New York, and New Jersey.

Municipal Bond Considerations

- Credit risk varies — stick to investment-grade bonds (BBB or higher) or well-diversified muni funds.
- Interest rate risk: Like all bonds, muni prices fall when interest rates rise.
- AMT bonds may lose their tax exemption for AMT-liable taxpayers.
- Do NOT hold municipal bonds in tax-deferred accounts (IRA, 401(k)) — you would convert tax-free income into ordinary income upon withdrawal.
- Consider muni bond funds or ETFs for diversification and professional management.
- Social Security income calculations do include tax-exempt interest — muni interest could indirectly cause more of your Social Security to be taxed.

Chapter 9: Tax-Advantaged Accounts Summary

Maximizing contributions to tax-advantaged accounts is the single most impactful thing most investors can do to improve tax efficiency. Here is a comprehensive summary of the major accounts available for 2026.

Account Comparison Table

Account	2026 Limit	Tax Treatment	Key Features
Traditional 401(k)	\$24,000 (under 50)	Pre-tax in, taxed out	Employer match, RMDs at 73
Roth 401(k)	\$24,000 (under 50)	After-tax in, tax-free out	No RMDs (SECURE 2.0)
Traditional IRA	\$7,000 (under 50)	Deductible (if eligible)	RMDs at 73
Roth IRA	\$7,000 (under 50)	After-tax in, tax-free out	No RMDs, income limits apply
HSA (Individual)	\$4,300	Triple tax-free	Must have HDHP, no age limit on use
HSA (Family)	\$8,550	Triple tax-free	Plus \$1,000 catch-up at 55+
529 Plan	No federal limit	After-tax in, tax-free for education	State deduction in many states
SEP IRA	25% comp or \$70,000	Pre-tax in, taxed out	Self-employed and small biz
Solo 401(k)	\$24,000 EE + 25% ER	Pre-tax or Roth EE	Self-employed, highest limits

The Health Savings Account (HSA) — The Ultimate Tax Tool

The HSA is the only account that provides a triple tax benefit: tax-deductible contributions, tax-free growth, and tax-free withdrawals for qualified medical expenses. For 2026, the projected limits are:

Coverage Type	2026 Contribution Limit	Catch-Up (Age 55+)
Self-Only	\$4,300	+\$1,000
Family	\$8,550	+\$1,000

- You must be enrolled in a qualifying High Deductible Health Plan (HDHP) to contribute.

- After age 65, you can withdraw HSA funds for any purpose without penalty (though non-medical withdrawals are taxed as income, similar to a Traditional IRA).
- There is no "use it or lose it" rule — funds roll over indefinitely.
- You can invest HSA funds in stocks, bonds, and mutual funds for long-term growth.
- Keep receipts for all medical expenses — you can reimburse yourself from the HSA years or decades later.

529 Education Savings Plans

529 plans offer tax-free growth and tax-free withdrawals for qualified education expenses (tuition, room and board, books, K-12 tuition up to \$10,000/year). Key features for 2026:

- No federal contribution limit, but contributions above the annual gift tax exclusion (\$19,000 per recipient in 2026) may count against your lifetime gift tax exemption.
- Superfunding: You can contribute up to 5 years of gifts in one year (\$95,000 per beneficiary, or \$190,000 for a married couple) without gift tax consequences.
- Many states offer a state income tax deduction for contributions to the state-sponsored plan.
- Under SECURE 2.0, unused 529 funds can be rolled into a Roth IRA for the beneficiary (up to \$35,000 lifetime, subject to annual Roth IRA contribution limits, and the 529 must have been open for 15+ years).

Prioritization Framework

If you cannot maximize all accounts, consider this general priority order:

1. Contribute enough to your 401(k) to capture the full employer match (free money).
2. Maximize your HSA if you have an HDHP (triple tax benefit).
3. Maximize your Roth IRA (or backdoor Roth if over the income limit).
4. Maximize your 401(k) employee deferral (\$24,000 for 2026 under age 50).
5. Fund a taxable brokerage account with tax-efficient investments.
6. Consider mega backdoor Roth if your 401(k) plan allows after-tax contributions.
7. Fund a 529 plan if you have education savings goals.

This prioritization is general. Your specific situation (tax bracket, goals, cash flow, employer benefits) may warrant a different order. A comprehensive financial plan should evaluate all options together.

Chapter 10: Year-End Tax Planning Checklist

Tax-efficient investing is not a set-it-and-forget-it strategy. Use this year-end checklist to ensure you are maximizing every opportunity before December 31.

Contributions and Maximization

1. Verify you are on track to maximize your 401(k) contributions for the year (\$24,000 under 50, \$31,500 for 50-59/64+, or \$35,250 for 60-63).
2. Make your IRA contribution (\$7,000 under 50, \$8,000 for 50+) — you have until the tax filing deadline (April 15) for IRA contributions.
3. Maximize HSA contributions if applicable (\$4,300 individual / \$8,550 family for 2026).
4. Make 529 contributions to capture any state tax deduction before year-end.
5. Consider a charitable contribution from your Donor-Advised Fund or direct QCD from your IRA.

Gains and Loss Management

1. Review your taxable portfolio for tax-loss harvesting opportunities.
2. Consider capital gains harvesting if you are in the 0% long-term capital gains bracket.
3. Evaluate whether to defer or accelerate income based on your projected bracket for next year.
4. Check for mutual fund capital gains distributions in December — consider selling the fund before the distribution date if you plan to sell anyway.
5. Review the wash sale rule implications before repurchasing any securities sold at a loss.

Roth and Conversion Planning

1. Evaluate Roth conversion opportunity — how much room do you have in your current tax bracket?
2. Consider the IRMAA impact of conversions on Medicare premiums (look ahead 2 years).
3. Execute backdoor Roth contributions if applicable (make the nondeductible contribution and convert).
4. Ensure no Traditional IRA balances exist that could trigger the pro-rata rule before a backdoor Roth.

Required Distributions and Charitable Giving

1. If age 73+ (or 75+ after 2032), verify RMDs have been taken from all required accounts by December 31.
2. Consider Qualified Charitable Distributions (QCDs) from your IRA to satisfy RMDs and reduce taxable income.
3. Bunch charitable deductions in alternating years if you are near the standard deduction threshold.
- 4.

Review Donor-Advised Fund strategy — contribute appreciated securities for a double tax benefit.

Next Step: A BrightAdvisor® financial professional can review your portfolio and tax situation to identify specific tax-saving opportunities. Call (602) 497-0277 or visit brightadvisor.com for a complimentary tax-efficiency review.

This guide is for educational purposes only. Tax laws are complex and change frequently. The 2026 figures in this guide are projected based on inflation adjustments and may differ from final IRS-published amounts. Always consult a qualified tax professional before making tax-related investment decisions.