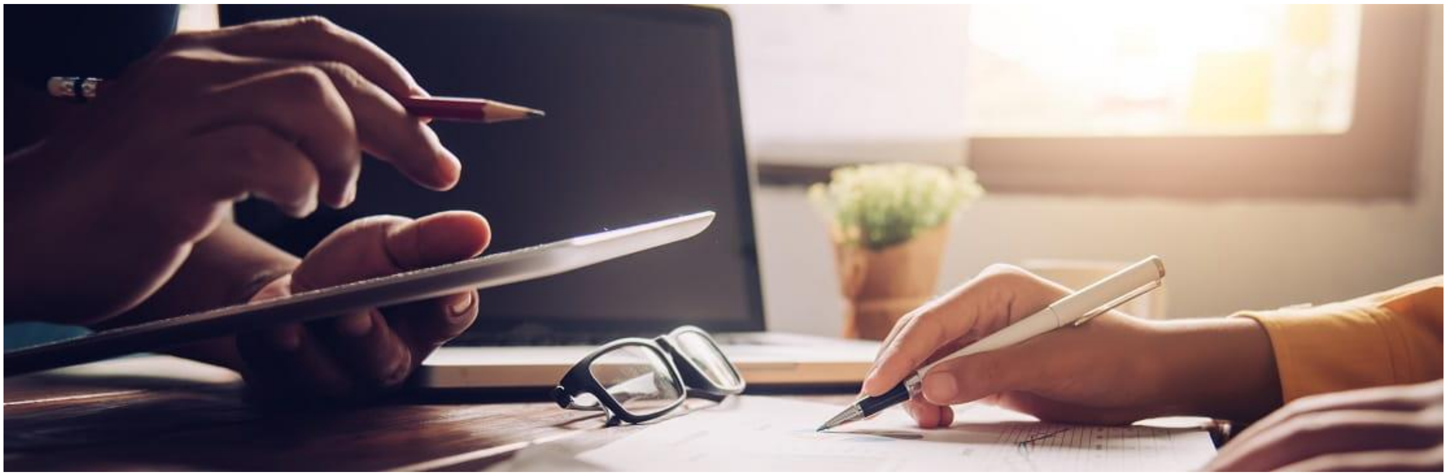

Laying the groundwork for tax season

Smart moves at the beginning of tax season can help get your financial house in order.
Contrary to popular belief, tax planning isn't limited to the months between year-end and April 15. In fact, smart tax planning goes beyond deductions and credits and should be incorporated throughout the year. As Americans prepare to file their returns, let's look at what we should be thinking about for tax season and beyond.

Get it together, now

The beginning of each new year is the time to get organized before filing your taxes. Make an appointment with your accountant and prepare by gathering all the relevant documentation.

Among other things, you'll need:

- Year-end statements from financial accounts
- W-2s, 1098s and 1099s, K-1s (many can be found online)
- Last year's tax returns
- Receipts for donations and business-related expenses
- Social Security numbers for your spouse and dependents
- Business identification number
- Tax ID number for daycares or schools if filing for the childcare credit

Keep in mind that most 1099s should be mailed before the end of January, but they could be delayed or revised. You and your accountant will have to decide if you need to file an extension, a common occurrence these days.

Strategies for any season

If lowering your taxes is a priority, start a conversation with your financial and tax advisors about ways to save money come April 15. Consider these perennial options:

- **Put pretax dollars to work.** Flexible savings accounts – available during your employer's open enrollment period – allow you to use pretax dollars to pay for qualified expenses. You can also use pretax retirement contributions to reduce your taxable income.
- **Fill in the blanks.** Work with your financial advisor to make sure all the cost-basis information is complete and accurate before calculating losses and gains for tax-loss harvesting purposes.
- **Pursue tax-efficient investing.** Investing should be focused on meeting your goals, not just on reducing taxes. But in some cases, the two dovetail nicely. For example, interest* from municipal bonds is generally exempt from federal and state income tax (if you're a resident of the state the bond is issued in). You could also sell underperforming stocks to offset realized gains.

For all taxpayers, it's important to look at what tax strategies could benefit your specific situation without losing sight of your overall financial goals. Reviewing your investments considering your goals, the tax environment, and the economic landscape can help you see where adjustments need to be made to position yourself for the upcoming year and beyond.

**Interest may be subject to the federal alternative minimum tax and state or local taxes.*

Raymond James does not provide tax or legal services. Please discuss these matters with the appropriate professional.