

NINJA NOTES

Tax Compliance & Planning 2026



Introduction

Content Area Allocation

The following table summarizes the content areas and the allocation of content tested in the TCP section of the Exam:

Area I	Tax Compliance and Planning for Individuals and Personal Financial Planning	30% - 40%
Area II	Entity Tax Compliance	30% - 40%
Area III	Entity Tax Planning	10% - 20%
Area IV	Property Transactions (disposition of assets)	10% - 20%

Skill Allocation

Remembering and Understanding	5% - 15%
Application	55% - 65%
Analysis	25% - 35%
Evaluation	0% - 0%

Scoring Weight

The table below presents the scoring weight of MCQs and TBSs

	Multiple-Choice Questions (MCQs)	Tasked-Based Simulations (TBSs)
TCP - Discipline	50%	50%

Section Time and Question Type

The table below presents the design of the Exam by section time and question type.

	Section Time	Multiple-Choice Questions (MCQs)	Tasked-Based Simulations (TBSs)
TCP - Discipline	4 Hours	68	7

Content

TCP-1 Individual Taxation & Planning

TCP-2 Property Taxation

TCP-3 C-Corporation Taxation

TCP-4 S-Corporation Taxation

TCP-5 Partnership Taxation

TCP-6 Comparison of Taxation of Business Entities

TCP-7 Gift Taxation

TCP-8 Trust Taxation

TCP-9 Tax-Exempt Organization Taxation

TCP-10 State and Local Tax Issues

NINJA NOTES

Tax Compliance & Planning 2026



Individual Taxation & Planning

(July 1, 2025 – June 30, 2026 Exams)

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Individual Taxation & Planning

Overview of Individual Taxation

Gross Income
<Adjustments>
Adjusted Gross Income (AGI)
<Standard Deduction>
or
<Itemized Deductions>
Taxable Income Before Qualified Business Income Deduction
<Qualified Business Income Deduction>
Taxable Income
x Tax Rate
Federal Income Tax
< Tax Credits >
Alternative Minimum Tax
Self-Employment Tax
< Estimated Payments / Withholdings >
Tax Due

Gross Income

Type of Income	Relevant Form(s)
Wages and Salaries (Salary Income)	Form W-2
Interest & Dividend (Portfolio Income)	Schedule B
Business Income or Loss (Business Income)	Schedule C
Capital Gains & Losses	Schedule D
Passive Income (Income from Pass-thru entities)	Schedule E
Farming Income	Schedule F
Other Miscellaneous Income	Schedule 1

Stock Options

Type of Stock Options	Taxation
Qualified Stock Options	<p>Taxable when Sold:</p> <ul style="list-style-type: none"> • Sold: Sales Price – Exercise Price
Non-Qualified Stock Options	<p>Stock Option have Readily Determinable Fair Market Value:</p> <ul style="list-style-type: none"> • Granted: Ordinary Income = FMV of Options on Grant Date – Cost • Exercised: No Tax on Exercise. Basis of Stock = Exercise Price + Income Recognized on Options on Grant Date • Sold: Capital Gain or Loss = Sales Price – Basis of Stock • Lapsed: Capital Loss = Income Recognized on Options on Grant Date. <p>Stock Option that does not have Readily Determinable Fair Market Value:</p> <ul style="list-style-type: none"> • Granted: No Tax on Grant • Exercised: Ordinary Income = FMV of Stock at Exercise Date – Exercise Price • Sold: Capital Gain or Loss = Sales Price - FMV of Stock at Exercise Date. • Lapsed: No Deduction on Lapse.

Restricted Stock, Restricted Stock Units and Stock Appreciation Rights

Type of Stock Rights	Taxation
Restricted Stock	<ul style="list-style-type: none"> • Granted: No Tax on Grant (If an 83(b) election is made, the employee recognizes Ordinary Income equal to the FMV of the stock on the Grant Date) • Vesting Date: Ordinary Income = FMV of Options on Vesting Date • Sold: Capital Gain or Loss = Sales Price – Basis of Stock • Forfeited: No Tax Consequence on Forfeiture
Restricted Stock Units (RSUs)	<ul style="list-style-type: none"> • Granted: No Tax on Grant • Vesting Date: Ordinary Income = FMV of Options on Vesting Date • Sold: Capital Gain or Loss = Sales Price – Basis of Stock • Forfeited: No Tax Consequence on Forfeiture
Stock Appreciation Rights (SARs)	<ul style="list-style-type: none"> • Granted: No Tax on Grant • Vesting Date: Ordinary Income = FMV on Exercise Date – FMV on Grant Date • Sold: Capital Gain or Loss = Sales Price – FMV on Exercise Date • Forfeited: No Tax Consequence on Forfeiture

Imputed Interest on Below Market Rate Loan

- If a taxpayer makes a loan to someone with little or no interest, the IRS treats it as if the taxpayer had charged Market Rate Interest and then gifted the value of that interest back to the borrower.
- The difference between the interest the taxpayer should have charged at the AFR and the interest the taxpayer actually charged is the Imputed Interest. This Imputed Interest is considered income to the lender, even though they never received it.
 - $\text{Imputed Interest Income} = \text{Principal Amount} \times (\text{AFR} - \text{Interest Rate})$

Compensation Earned while Employed Outside US

- IRS imposes taxes on the worldwide income of U.S. citizens and resident aliens, regardless of where they live or work.
- To mitigate the risk of double taxation the IRS provides some relief in the form of the Foreign Earned Income Exclusion up to \$130,000 (for 2025) of their foreign earned income from U.S. taxation.
 - Requirements
 - The taxpayer must have foreign earned income.
 - The taxpayer must have a tax home in a foreign country.
 - The taxpayer must meet either the Bona Fide Residence Test or the Physical Presence Test.
 - Bona Fide Residence Test
 - ⇒ A Taxpayer is a bona fide resident of a foreign country if the taxpayer resides in that country for an uninterrupted period that includes an entire tax year.
 - Physical Presence Test
 - ⇒ Taxpayers meet this test if they are physically present in a foreign country (or countries) for at least 330 full days during a 12-month period.
 - In addition to the Foreign Earned Income Exclusion, U.S. taxpayers may also qualify for the Foreign Housing Exclusion or Deduction. This can exclude or deduct certain amounts for household expenses that occur as a consequence of living abroad.

Passive Activity Loss Limitations

- Passive Activities include the following:
 - Income from Rental Real Estate Activities
 - Income from Royalties
 - Income from Closely Held C-Corporations and Personal Service Corporations
 - Income from Schedule K-1 (Pass-through Income)
 - Partnerships and Limited Liability Companies (LLCs)
 - S-Corporations
 - Estates and Trusts

- Income from Rental Real Estate Activities

- Rental Income: Active vs. Passive

	Income Type	Reporting Form
Materially Participating & Real Estate Professional	Active	Schedule C (Form 1040)
No Material Participation or Non-Real Estate Professional	Passive	Schedule E (Form 1040)

- Passive Activity Loss Offset Rules

- Passive Activity Losses (PAL) can generally be offset against passive income only.
 - Excess Passive Activity Losses (PAL) are carried forward indefinitely or until the activity is disposed of.
 - Exceptions:

- Active Participation

AGI Range	Offset Limitation
\$100,000 or less	\$25,000
Between \$100,000 and \$150,000	$\$25,000 - 50\% \times (\text{AGI} - \$100,000)$
\$150,000 or more	\$0

- Material Participation

- ⇒ Rental losses are fully deductible against all types of income without any limitations.

- Income from S-Corporations (Loss Limitations)

- Income, deductions, and credits from S Corporations are reported on Schedule E of Form 1040.
- Passive Activity Losses (PAL) from S-Corporation can be offset against passive income only. Excess Passive Activity Losses (PAL) are carried forward indefinitely or until the activity is disposed.
- Shareholder's Stock Basis in S-Corporation

$$\text{Stock Basis} = \text{Contributions} + \text{Income} - \text{Distributions} - \text{Deductions and Losses}$$

- Shareholder's Debt Basis in S-Corporation

$$\text{Debt Basis} = \text{Loans made by a Shareholder to S-Corporation}$$

- Shareholder's Tax Basis (At-Risk Basis) in S-Corporation

$$\text{Tax Basis} = \text{Stock Basis} + \text{Debt Basis}$$

- Shareholder's At-Risk Basis in S-Corporation

$$\text{At-Risk Basis} = \text{Tax Basis}$$

- S-Corporation Shareholders Limitations on Loss Deduction
 - Tax Basis Limitation
 - Shareholder can only claim a loss to the extent of their Tax Basis in their S-Corporation which is the sum of Stock and Debt basis.
 - Tax Basis Limitation will apply even in case of Material Participation.
 - Excess Loss is suspended and carried forward to future years.
 - Suspended Losses due to Tax Basis Limitation are no longer deductible once the activity is disposed of.
 - At-Risk Basis
 - At-Risk Basis further limit the amount of loss a shareholder can claim.
 - At-Risk Limitation will apply even in case of Material Participation.
 - Excess Loss is suspended and carried forward to future years.
 - Suspended Losses due to At-Risk Limitation will reduce Gain from Sale when the activity is disposed of.
 - Passive Activity Loss (PAL) Limitation
 - Passive Activity Loss are limited to Passive Activity Income.
 - Passive Activity Loss Limitation will not apply in case of Material Participation.
 - Excess Passive Activity Losses (PAL) are carried forward indefinitely or until the activity is disposed.
 - Suspended Passive Activity Losses is deductible from all other sources of Income in the year of disposal.
 - Excess Business Loss Limitation
 - An Excess Business Loss is calculated as the amount by which the Total Deductions from all trades or businesses exceed the Total Gross Income from those trades or businesses over the threshold amount.
 - For 2025, the threshold limit is \$313,000 for single filers and \$626,000 for married filing jointly.
 - Any loss in excess of these amounts is treated as a Net Operating Loss Carryforward.
 - Excess Business Loss Limitation will apply even in case of Material Participation.

- Income from Partnerships (Loss Limitations)

- Partnerships are pass-through entities. Income, deductions, and credits from Partnerships are reported on Schedule E of Form 1040.
- Passive Activity Losses (PAL) from Partnerships can be offset against passive income only. Excess Passive Activity Losses (PAL) are carried forward indefinitely or until the activity is disposed.
- Partner's Tax Basis in Partnership



- Partner's At-Risk Basis in Partnership



- Partner's Limitations on Loss Deduction

- Tax Basis Limitation

- Partners can only claim a loss to the extent of their Tax Basis in their Partnership.
 - Tax Basis Limitation will apply even in case of Material Participation.
 - Excess Loss is suspended and carried forward to future years.
 - Suspended Losses due to Tax Basis Limitation are no longer deductible once the activity is disposed of.

- At-Risk Basis

- At-Risk Basis further limit the amount of loss a Partner can claim.
 - At-Risk Limitation will apply even in case of Material Participation.
 - Excess Loss is suspended and carried forward to future years.
 - Suspended Losses due to At-Risk Limitation will reduce Gain from Sale when the activity is disposed of.

- Passive Activity Loss (PAL) Limitation
 - Passive Activity Loss are limited to Passive Activity Income.
 - Passive Activity Loss Limitation will not apply in case of Material Participation.
 - Excess Passive Activity Losses (PAL) are carried forward indefinitely or until the activity is disposed.
 - Suspended Passive Activity Losses is deductible from all other sources of Income in the year of disposal.

- Excess Business Loss Limitation
 - An Excess Business Loss is calculated as the amount by which the Total Deductions from all trades or businesses exceed the Total Gross Income from those trades or businesses over the threshold amount.
 - For 2025, the threshold limit is \$313,000 for single filers and \$626,000 for married filing jointly.
 - Any loss in excess of these amounts is treated as a Net Operating Loss Carryforward.
 - Excess Business Loss Limitation will apply even in case of Material Participation.

Standard Deduction & Itemized Deductions

- Standard Deduction

- Standard Deduction Limits (for 2025)

Filing Status	Standard Deduction
Single/Married Filing Separately	\$15,000
Married Filing Jointly/Qualifying Widow(er)	\$30,000
Head of Household	\$22,500

- Additional Standard Deduction (for 2025)

	Single	Married Filing Jointly
Single / Only 1 Spouse Qualify		
65 or Blind	\$2,000	\$1,600
65 and Blind	\$4,000	\$3,200
Both Spouses Qualify		
Each 65 or Blind	-	\$3,200
Both 65 and Blind	-	\$6,400

- Standard Deduction – Individuals Claimed as Dependents

- For dependents of others, the standard deduction is the greater of \$1,350 or earned income + \$450 for 2025 but must not exceed the regular standard deduction.

- Itemized Deductions

- Medical Expenses (In Excess of 7.5% of AGI)

- Qualified and Non-Qualified Medical Expenses

Qualified Medical Expenses	Non-Qualified Medical Expenses
<ul style="list-style-type: none"> • Prescribed drugs and medicines. 	<ul style="list-style-type: none"> • Over-the-counter drugs not prescribed by a physician
<ul style="list-style-type: none"> • Fees paid to medical practitioners, including doctors, dentists, and surgeons. 	<ul style="list-style-type: none"> • General health costs, like Gym Memberships and Health Club Membership, that aren't prescribed by a physician for a specific health condition
<ul style="list-style-type: none"> • Travel Costs for Medical Care (Actual Costs or Standard Mileage Rate of \$0.21/mile for 2025) 	<ul style="list-style-type: none"> • Personal hygiene items and ordinary personal care expenses.
<ul style="list-style-type: none"> • Meals and Lodging provided by a hospital or similar institution during medical treatment. 	<ul style="list-style-type: none"> • Household help.

<ul style="list-style-type: none"> • Stop-Smoking Programs 	<ul style="list-style-type: none"> • Illegal operations or treatments.
<ul style="list-style-type: none"> • Weight-Loss Programs (only if the purpose is to treat obesity or other disease) 	<ul style="list-style-type: none"> • Cosmetic surgery purely for aesthetic reasons.
<ul style="list-style-type: none"> • Surgery including plastic/cosmetic surgery done to cure the disfiguring injury, illness, or birth defects. • LASIK surgery 	<ul style="list-style-type: none"> • The Medicare portion of Social Security and Self-Employment Taxes.
<ul style="list-style-type: none"> • Insurance Premiums for Medical, Dental, Hospital care, and Qualifying Long-Term Care Policies 	<ul style="list-style-type: none"> • Insurance premiums for Accident, Disability, and Life Insurance.
<ul style="list-style-type: none"> • Medical Equipment and devices like eyeglasses, hearing aids, false teeth, etc. 	<ul style="list-style-type: none"> • Funeral and Burial Expenses.
<ul style="list-style-type: none"> • Costs to install medically prescribed facilities or remove structural barriers at home for physically handicapped such as swimming pool, elevator, etc. ⇒ Deduction = Cost of Home Improvement – Increase in FMV 	

▪ Calculation of Deductible Medical Expenses

Qualified Medical Expense	XXX
<Insurance/Employer Reimbursement>	(XXX)
Medical Expense Paid	XXX
<7.5% of AGI>	(XXX)
Deductible Medical Expenses	XXX

○ State/Local/Foreign Taxes (SALT) paid (up to \$10,000)

Deductible Taxes	Non-Deductible Taxes
<ul style="list-style-type: none"> • State and Local Income Taxes or State and Local Sales Tax 	<ul style="list-style-type: none"> • Federal Income Tax
<ul style="list-style-type: none"> • State and Local Personal and Real Property Tax 	<ul style="list-style-type: none"> • Federal, State, and Local Estate or Gift Taxes
<ul style="list-style-type: none"> • Foreign Income Tax 	<ul style="list-style-type: none"> • Social Security and Self-Employment Taxes
	<ul style="list-style-type: none"> • Business Taxes.
	<ul style="list-style-type: none"> • Foreign Sales Tax, Real Property Tax, and Personal Property Tax

o Interest Expense

Deductible Interest	Non-Deductible Interest
<ul style="list-style-type: none"> Home Mortgage Interest for loans up to \$750,000 	<ul style="list-style-type: none"> Personal Consumer Interest
<ul style="list-style-type: none"> Investment Interest Expense limited to net investment income 	<ul style="list-style-type: none"> Education Loan Interest
<ul style="list-style-type: none"> Home Equity Loans 	<ul style="list-style-type: none"> Prepaid Interest

o Charitable Contributions

- Allowed as an itemized deduction on Schedule A up to 60% of AGI.
- Deductible and Non-Deductible Charitable Contribution

Deductible Charitable Contribution	Non-Deductible Charitable Contribution
<ul style="list-style-type: none"> Charitable Contributions to Qualified Domestic Organizations for religious, charitable, scientific, literary, or educational purposes. 	<ul style="list-style-type: none"> Contributions to individuals or non-qualified organizations civic leagues, social clubs, foreign organizations, political organizations, communist organizations, chambers of commerce, and labor unions.
<ul style="list-style-type: none"> Out-of-pocket costs incurred while doing work for a charitable organization. 	<ul style="list-style-type: none"> Cannot deduct the value of taxpayer's time or services that taxpayer donates to a charitable organization.
<ul style="list-style-type: none"> \$50 per student per month for every completed month of an unrelated student staying in a taxpayer's home on agreement with a qualified organization. 	<ul style="list-style-type: none"> Cannot deduct the value of the use of a property that the taxpayer allows to a charitable organization.
	<ul style="list-style-type: none"> Cannot deduct the value of Blood Donation

- Charitable Contribution Deduction Calculation

Charitable Contribution	XXX
<Benefits Received>	(XXX)
Charitable Contribution Deduction	XXX

- Charitable Contribution Limits

Contribution Type	Deduction	Deduction Limit
Cash	Amount Contributed	Up To 60% of Adjusted Gross Income (AGI)
Short-Term Property	Lower of Basis or FMV of Property	Up To 50% of Adjusted Gross Income (AGI)
Long-Term Property	FMV of Property	Up To 30% of Adjusted Gross Income (AGI)

○ Casualty Losses (In Excess of 10% of AGI)

▪ Deductible and Non-Deductible Casualty Losses

Deductible Casualty Losses	Non-Deductible Casualty Losses
<ul style="list-style-type: none"> Personal Property Losses that occurred due to a Federally Declared Disaster 	<ul style="list-style-type: none"> Business Property Losses that occurred due to a Federally Declared Disaster
	<ul style="list-style-type: none"> Progressive Damage that happens over time, such as wear and tear or deterioration.
	<ul style="list-style-type: none"> Casualty Insurance Premiums for insurance coverage
	<ul style="list-style-type: none"> Incidental Expenses such as temporary housing, meals, and transportation costs incurred due to a casualty or disaster, but not directly related to the damage or destruction of property, are not deductible as a casualty loss.

▪ Casualty Loss Deduction Calculation

Drop in FMV (Limited to Tax Basis of the Asset)	XXX
<Insurance/Government Reimbursement>	(XXX)
<\$100 per event>	(\$100)
Loss Eligible for Deduction	XXX
<10% of AGI>	(XXX)
Deductible Casualty Loss	XXX

○ Other Itemized Deductions

- Gambling Losses
- Taxes for Decedent

- Itemized Deductions or Standard Deduction

Itemized Deductions < Standard Deductions	Standard Deduction
Itemized Deductions > Standard Deductions	Itemized Deduction

- The Taxpayer Should Take the Standard Deduction
 - Standard Deduction is Greater than Itemized Deductions
 - Simplicity
- The Taxpayer Should Itemize Deductions
 - Itemized Deductions are Greater than Standard Deduction
 - State Tax Considerations
 - Married Filing Separately
 - If a taxpayer is married and files separately, and if one spouse itemizes deductions, then the other spouse must also itemize their deductions.
 - Qualifying for a Mortgage or Other Loan
 - Some financial institutions may request to see itemized deductions as part of the process for qualifying for a mortgage or other type of loan.

Alternative Minimum Tax (AMT)

- The Alternative Minimum Tax (AMT) is a separate tax system in the United States that operates parallel to the regular income tax system.
- It is designed to ensure that high-income individuals, corporations, and certain taxpayers with substantial deductions or tax preferences pay at least a minimum amount of tax.
- AMT Calculation

Regular Taxable Income
Add/Less: Adjustments
Add: Preferences
Alternative Minimum Taxable Income (AMTI)
<AMT Exemptions>
AMT Tax Base
x Tax Rate (26% to 28%)
Tentative AMT
<Regular Tax>
AMT

- Adjustments (Increases or Decreases AMTI)

Adjustments	Explanation
Recalculate Losses	<ul style="list-style-type: none"> Passive Activity Losses: Recalculate for AMT purposes. Net Operating Losses: Recalculate according to AMT rules.
Adjust Accounting Methods	<ul style="list-style-type: none"> Long-Term Contracts: Adjust for the difference between percentage-of-completion for AMT and other methods for regular tax purposes. Installment Sales: Adjust for the difference between full accrual for AMT and installment sales revenue for regular tax purposes.
Adjust Depreciation on Post-1986 Property	<ul style="list-style-type: none"> Real Property: Adjust the difference between straight-line depreciation (40-year life) for AMT and other methods used for regular tax purposes. Personal Property: Adjust the difference between 150% declining balance depreciation for AMT and other methods used for regular tax purposes.
Add-back Standard and Certain Itemized Deductions	<ul style="list-style-type: none"> Taxes: Add-back non-deductible state and local taxes under AMT rules. Standard Deduction: Add-back if claimed for regular tax purposes
Incentive Stock Options (ISOs)	<ul style="list-style-type: none"> Taxed upon exercise for AMT purposes. Carryforward AMT tax to be deducted in the year of ISOs sale.

- Preferences (Increases AMTI)

Preferences	Explanation
Depreciation on Pre-1987 Property	<ul style="list-style-type: none"> Add back excess accelerated depreciation over straight-line depreciation.
Interest on Private Activity Bonds	<ul style="list-style-type: none"> Add back tax-exempt interest from private activity bonds.
Percentage Depletion	<ul style="list-style-type: none"> Add back excess depletion deductions over the property's adjusted basis.

- AMT Exemptions

	Single	Married filing jointly	Married filing separately
Exemption Amount	\$88,100	\$137,000	\$68,650
Income at which exemption begins to phase out	\$626,350	\$1,252,700	\$626,350

- o AMT Exemption for 2025 will be calculated as follows:

- For MFJ taxpayers, the exemption is $\$137,000 - 25\% \times (\text{AMTI before exemption} - \$1,252,700)$.
 - For Single taxpayers, the exemption is $\$88,100 - 25\% \times (\text{AMTI before exemption} - \$626,350)$.

- AMT Tax Rates

Filing Status	26%	28%
MFJ / Single	\$0 - \$239,100	plus 28% on the excess >\$239,100

Taxes on Investment Income

- Kiddie Tax

- The Kiddie Tax is a tax that applies to the unearned income of children.
- Applies to children under the age of 19 and certain full-time students under the age of 24.
- A child is subject to kiddie tax if the following conditions are met:
 - Have net unearned income above \$2,700 (threshold amount for 2025).
 - The child did not pay for more than one-half of the support.
- Kiddie Tax Calculation



- Net Investment Income Tax

- The Net Investment Income Tax (NIIT) is a 3.8% tax that applies to certain net investment income of individuals, estates, and trusts with income above the statutory threshold amounts.
- Net Investment Income Tax Calculation
 - Net Investment Income Tax (NIIT) applies to the lesser of:
 - Net Investment Income
 - Amount by which Modified Adjusted Gross Income exceeds the thresholds:
Modified Adjusted Gross Income - \$200,000 (Single) / \$250,000 (MFJ) / \$125,000 (MFS)

Estimated Payments

- Estimated Payments
 - Estimated tax payments are typically due in four equal installments as follows:
 - 1st payment: April 15.
 - 2nd payment: June 15.
 - 3rd payment: September 15.
 - 4th payment: January 15 of the following year.
 - Penalty for Failure to Make Estimated Tax Payments
 - Penalty for underpayment of Estimated Taxes will not apply in the following circumstances:
 - Taxpayer owes less than \$1,000 on the tax return due date (April 15).
 - Estimated Tax Payments are equal to the lesser of:
 - Withholding and Estimated Tax Payments is at least 90% of the Current Year Tax Liability.
 - Withholding and Estimated Tax Payments are at least 100% of the Prior Year's Tax Liability (Withholding and Estimated Tax Payments are at least 110% of the Prior Year's Tax Liability if the Prior Year AGI was more than \$150,000)
 - Zero tax liability in the Prior Year.

Impact of Changing Tax Rates and Legislation

- Impact of Changes in Tax Rates
 - Tax Rates to Increase in the Future
 - Accelerating Income
 - Offer Early Payment Incentives
 - Close Deals Before Year-End
 - Delaying Expenses
 - Deferring Purchases
 - Deferring Charitable Donations

- Tax Rates to Decrease in Future
 - Deferring Income
 - Delay Billing
 - Defer Bonuses
 - Accelerating Expenses
 - Prepay Deductible Expenses
 - Accelerate Purchases
 - Contribute to Retirement Accounts
 - Charitable Donations
- Impact of Changes in Tax Legislation

	Income	Expenses
Taxes Increase	Accelerate	Defer
Taxes Decrease	Defer	Accelerate

Tax Planning for Individuals

- Medical Expense Planning
 - Flexible Spending Account (FSA)
 - Definition
 - Flexible Spending Arrangements (FSAs) are tax-advantaged accounts offered by employers to help employees pay for qualified medical or dependent care expenses.
 - Tax-Deductible

Contributions	Deductible
Withdrawal	Non-Taxable
 - How does an FSA Work?
 - Flexible Spending Account (FSA) is usually set up through an employer's benefits program.
 - Employees decide how much money they want to contribute to the FSA for the upcoming plan year.

- Employees make tax-deductible contributions to Flexible Spending Account (FSA)
- When employees have eligible expenses, they can use the funds in their FSA to pay for them.
- FSAs generally operate on a "use-it-or-lose-it" basis, meaning taxpayers need to use all the money in the FSA within the plan year or forfeit the remaining balance.
- Types of FSAs
 - Healthcare FSA
 - Dependent Care FSA
- Contributions Limits
 - Healthcare FSA
 - ⇒ Individuals: \$3,300 (for 2025)
 - ⇒ Families: \$6,600 (for 2025)
 - Dependent Care FSA
 - ⇒ Single & MFJ: \$5,000 (for 2025)
 - ⇒ MFS: \$2,500 (for 2025)
- Health Savings Account (HSA)
 - Definition
 - Health Savings Accounts (HSA) are tax-advantaged accounts designed to help employees save for and cover qualified medical expenses.
 - Eligibility
 - Covered under a High Deductible Health Plan (HDHP)
 - No Other Health Coverage
 - Not Enrolled in Medicare
 - Not Claimed as a Dependent

- Tax-Deductible

Contributions	Deductible
Withdrawal	Non-Taxable

- How does an HSA Work?

- HSAs can be set up through a qualified HSA trustee, which could be a bank, an insurance company, or any company approved by the IRS,
- Contributions to an HSA can be made by the individual, the individual's employer, or both, up to the maximum annual limit set by the IRS.
- The funds in an HSA can be used tax-free for qualified medical expenses.
- HSAs are portable, meaning that they stay with the individual even if they change employers or leave the workforce.
- Unused funds in an HSA rollover from year to year, providing an opportunity to save for future medical expenses.

- Contributions Limits

- Individuals: \$4,300 (for 2025)
- Families: \$8,550 (for 2025)

- Retirement Planning

- Steps in Retirement Planning

- Set Retirement Goals
- Assess Current Financial Situation
- Estimate Retirement Income Needs
- Choose Retirement Savings Vehicles
 - Traditional IRA
 - Non-Deductible IRA
 - Roth IRA
 - Simplified Employee Pension (SEP) IRA
 - Savings Incentive Match Plan for Employees (SIMPLE) IRA

- 401(k)s
- Defined Benefit Plans
- Manage Investment Portfolio.
- Monitor and Adjust
- Social Security Optimization
- Traditional IRA
 - How Does a Traditional IRA Work?
 - Establishment
 - ⇒ Choosing a Provider
 - ⇒ Opening an Account
 - ⇒ Selecting Investments
 - ⇒ Contributions
 - Deductible Contributions
 - ⇒ Contribution Limits
 - Contribution Limit is Lesser of:
 - ✓ \$7,000 (Single) & \$14,000 (MFJ) (for 2025)
 - ✓ Earned Income (Wage, Business & Alimony)
 - ✓ An additional \$1,000 Contribution is allowed for Individuals aged 50 and above.
 - ⇒ Tax Credit on Contribution
 - Contribution to IRA allows Retirement Savings Contribution Credit for up to 50% on \$2,000 Contribution for Low-Income Groups
 - Distributions
 - ⇒ Distribution
 - Principal: Taxable
 - Interest: Taxable

⇒ Distributions can occur after the individual reaches the age 59 ½ without incurring a penalty.

⇒ Penalties on Early Withdrawal

10% Penalty in addition to Income Tax would apply on early withdrawal.

No Penalty would apply on Qualified Early Withdrawal to meet the following expenses:

✓ Medical Expenses in excess of 7.5% of AGI

✓ Medical Insurance for 12 Weeks Unemployed

✓ Disability

✓ Higher Education Qualified Expenses for Individuals, Spouses, Children, or Grandchildren.

✓ First-time Home Purchase.

⇒ Required Minimum Distributions (RMDs)

Individuals must start taking RMDs from Traditional IRA by April 1 of the year following the year in which they turn 73.

○ Non-Deductible IRA

▪ How Does a Non-Deductible IRA Work?

➤ Establishment

⇒ Choosing a Provider

⇒ Opening an Account

⇒ Selecting Investments

➤ Contribution

⇒ Non-Deductible Contributions

⇒ Contribution Limits

Contribution Limit is Lesser of:

✓ \$7,000 (Single) & \$14,000 (MFJ) (for 2025)

- ✓ Earned Income (Wage, Business & Alimony)
- ✓ An additional \$1,000 Contribution is allowed for Individuals aged 50 and above.

➤ Distribution

⇒ Distribution

- Principal: Non-Taxable
- Interest: Taxable

⇒ Distribution Age Limits

- Distributions can occur after the individual reaches the age 59 ½ without incurring a penalty.

⇒ Penalties on Early Withdrawal

- A 10% Penalty and Income Tax on Earnings would apply on early withdrawal.
- No Penalty and Taxes would apply on Qualified Early Withdrawal to meet the following expenses:
 - ✓ Medical Expenses in excess of 7.5% of AGI
 - ✓ Medical Insurance for 12 Weeks Unemployed
 - ✓ Disability
 - ✓ Higher Education Qualified Expenses for Individuals, Spouses, Children, or Grandchildren.
 - ✓ First-time Home Purchase.

⇒ Required Minimum Distributions (RMDs)

- Individuals must start taking RMDs from Non-Deductible IRA by April 1 of the year following the year in which they turn 73.

- Roth IRA
 - How does a Roth IRA Work?
 - Establishment
 - ⇒ Determine Eligibility
 - To contribute to a Roth IRA, Income must be below the following level for 2025:
 - ✓ Single/Head of Household: \$165,000
 - ✓ Married Filing Jointly/Surviving Spouse: \$246,000
 - ⇒ Choosing a Provider
 - ⇒ Opening an Account
 - ⇒ Selecting Investments
 - Contribution
 - ⇒ Non-Deductible Contributions
 - ⇒ Contribution Limits
 - Contribution Limit is Lesser of:
 - ✓ \$7,000 (Single) & \$14,000 (MFJ) (for 2025)
 - ✓ Earned Income (Wage, Business & Alimony)
 - ✓ An additional \$1,000 Contribution is allowed for Individuals aged 50 and above.
 - ⇒ Tax Credit on Contribution
 - Contribution to IRA allows Retirement Savings Contribution Credit for up to 50% on \$2,000 Contribution for Low-Income Groups
 - Distribution
 - ⇒ Distribution
 - Principal: Non-Taxable
 - Interest: Non-Taxable

⇒ Distribution Age Limits

- Qualified withdrawals from a Roth IRA are tax-free.
 - ✓ Must occur at least five years after the first contribution to the Roth IRA
 - ✓ Distribution occurs after you've reached age 59 ½.

⇒ Penalties on Early Withdrawal

- 10% Penalty and Income Tax on Earnings would apply on early withdrawal.
- No Penalty and Taxes would apply on Qualified Early Withdrawal to meet the following expenses:
 - ✓ Medical Expenses in excess of 7.5% of AGI
 - ✓ Medical Insurance for 12 Weeks Unemployed
 - ✓ Disability
 - ✓ Higher Education Qualified Expenses for Individuals, Spouses, Children, or Grandchildren.
 - ✓ First-time Home Purchase.

⇒ No Required Minimum Distributions (RMDs)

○ Simplified Employee Pension (SEP) IRA

▪ Definition

- A Simplified Employee Pension (SEP) IRA is a retirement savings plan established by employers including self-employed individuals for the benefit of their employees.
- Employers can contribute up to 25% of an employee's compensation or \$70,000 (whichever is less) each year.

▪ How does a SEP IRA Work?

➤ Establishment

- ⇒ Adopt a Written Agreement
- ⇒ Choose a Financial Institution
- ⇒ Set Up SEP IRAs

⇒ Provide Information to Employees

⇒ Employee Controls the Investment

➤ Contributions

⇒ Deductible Contributions

⇒ Contribution Limits:

Contribution Limit for each employee is Lesser of:

✓ 25% of Employee's Compensation

✓ \$70,000 (for 2025)

⇒ Equal Percentage

If an employer chooses to contribute in a given year, they must contribute an equal percentage of salary for each eligible employee.

⇒ Immediate Vesting

➤ Distributions

⇒ Distribution

Principal: Taxable

Interest: Taxable

⇒ Distribution Age Limits

Distributions can occur after the individual reaches the age 59 ½ without incurring a penalty.

⇒ Penalties on Early Withdrawal

10% Penalty in addition to Income Tax would apply on early withdrawal.

No Penalty would apply on Qualified Early Withdrawal to meet the following expenses:

✓ Medical Expenses in excess of 7.5% of AGI

✓ Medical Insurance for 12 Weeks Unemployed

✓ Disability

- ✓ Higher Education Qualified Expenses for Individuals, Spouses, Children, or Grandchildren.
- ✓ First-time Home Purchase.

⇒ Required Minimum Distributions (RMDs)

- Individuals must start taking RMDs from SEP IRA by April 1 of the year following the year in which they turn 73.

○ Savings Incentive Match Plan for Employees (SIMPLE) IRA

▪ Definition

- A Savings Incentive Match Plan for Employees (SIMPLE) IRA is a retirement savings plan that small businesses with 100 or fewer employees can set up.

▪ How does a SIMPLE IRA Work?

➤ Establishment

⇒ Eligibility

- A business can use a SIMPLE IRA plan if it has 100 or fewer employees.

⇒ Adopt a Written Agreement

⇒ Choose a Financial Institution

⇒ Set Up SIMPLE IRAs

⇒ Employee Controls the Investment

➤ Contributions

⇒ Deductible Contributions

⇒ Contribution Limits

- Employees

- ✓ Employees can contribute up to a maximum of \$16,500 (for 2025).
- ✓ An additional \$3,000 Contribution is allowed for Individuals aged 50 and above.

- Employers
 - ✓ Match Contributions up to 3% of an Employee's Compensation.
 - or
 - ✓ Non-Elective Contributions up to 2% of an Employee's Compensation
- ⇒ Immediate Vesting
- Distributions
 - ⇒ Distribution
 - Principal: Taxable
 - Interest: Taxable
 - ⇒ Distribution Age Limits
 - Distributions can occur after the individual reaches age 59 ½ without incurring a penalty.
 - ⇒ Penalties on Early Withdrawal
 - 10% Penalty in addition to Income Tax would apply on early withdrawal.
 - No Penalty would apply on Qualified Early Withdrawal to meet the following expenses:
 - ✓ Medical Expenses in excess of 7.5% of AGI
 - ✓ Medical Insurance for 12 Weeks Unemployed
 - ✓ Disability
 - ✓ Higher Education Qualified Expenses for Individuals, Spouses, Children, or Grandchildren.
 - ✓ First-time Home Purchase.
 - ⇒ Required Minimum Distributions (RMDs)
 - Individuals must start taking RMDs from SIMPLE IRA by April 1 of the year following the year in which they turn 73.

- 401(k)s
 - Definition
 - A 401(k) plan is an employer-sponsored defined-contribution retirement savings plan that allows employees to contribute a portion of their pre-tax salary to the plan.
 - How does a 401(k) Work?
 - Establishment
 - ⇒ Choose a Plan Type
 - Traditional 401(k)
 - Safe Harbor 401(k),
 - SIMPLE 401(k)
 - Roth 401(k).
 - ⇒ Select a Plan Provider
 - ⇒ Create a Written Plan Document
 - ⇒ Set Up a Trust for the Plan's Assets
 - ⇒ Provide Plan Information to Employees
 - Contributions
 - ⇒ Deductible Contributions
 - ⇒ Contribution Limits
 - Employees
 - ✓ Employees can contribute up to a maximum of \$23,500 (for 2025). An additional \$7,500 Contribution is allowed for Individuals aged 50 and above.
 - Employers
 - ✓ Employers are not required to make matching contributions to 401(k) plans, but many employers do.
 - ⇒ Based on Vesting Schedule

➤ Distributions

⇒ Distribution

- Principal: Taxable
- Interest: Taxable

⇒ Distribution Age Limits

- Distributions can occur after the individual reaches age 59 ½ without incurring a penalty.

⇒ Penalties on Early Withdrawal

- 10% Penalty in addition to Income Tax would apply on early withdrawal.
- No Penalty would apply on Qualified Early Withdrawal to meet the following expenses:
 - ✓ Medical Expenses in excess of 7.5% of AGI
 - ✓ Medical Insurance for 12 Weeks Unemployed
 - ✓ Disability

⇒ Required Minimum Distributions (RMDs)

- Individuals must start taking RMDs from 401(k) IRA by April 1 of the year following the year in which they turn 73.

- Defined Benefit Plans
 - Definition
 - Defined Benefit Plans, also known as Pension Plans, are employer-sponsored retirement plans that promise a specified monthly benefit to employees upon their retirement.
 - Characteristics
 - Employer Funding
 - Guaranteed Retirement Benefit
 - Investment Responsibility
 - Actuarial Assumptions
 - Vesting and Retirement Age
 - Annuity Payments

- Annuities
 - Annuities are long-term, tax-advantaged contracts where earnings accumulate on a Tax-Deferred Basis.
 - Immediate Annuities
 - An Immediate Annuity is purchased with a lump-sum payment, and in exchange, the taxpayer begins receiving income almost immediately, typically within 30 days or no later than one year.
 - Deferred Annuities
 - Deferred Annuities have two distinct phases
 - ⇒ Accumulation Phase
 - During this phase, premiums (or contributions) are made into the annuity, which grows on a tax-deferred basis.
 - ⇒ Payout Phase
 - Income payments begin in the payout phase.
 - Tax Treatment of Annuity Payments
 - Fixed Period Annuity Payments
 - ⇒ A Fixed Period Annuity provides payments for a set period of time, such as 10 or 20 years.
 - $\text{Exclusion Ratio} = \text{Original Investment} / \text{Total Expected Value of Annuity Payments}$
 - $\text{Non-Taxable Portion} = \text{Monthly Payment} \times \text{Exclusion Ratio}$
 - $\text{Taxable Portion} = \text{Monthly Payment} - \text{Non-Taxable Portion}$
 - Life Annuity Payments
 - ⇒ In a Life Annuity, the exact number of payments the taxpayer will receive is unknown because it depends on how long the taxpayer lives.
 - $\text{Non-Taxable Portion} = \text{Original Investment} / \text{IRS Life Expectancy Factor}$

	Traditional IRA	Non-Deductible IRA	Roth IRA	SEP IRA	SIMPLE IRA	401(k)s
Contributions Deductible	Yes	No	No	Yes	Yes	Yes
Contribution Limits	<p>Lesser of:</p> <ul style="list-style-type: none"> \$7,000 (Single) & \$14,000 (MFJ) (for 2025) Earned Income (Wage, Business & Alimony) <p>An additional \$1,000 Contribution is allowed for Individuals aged 50 and above.</p>	<p>Lesser of:</p> <ul style="list-style-type: none"> \$7,000 (Single) & \$14,000 (MFJ) (for 2025) Earned Income (Wage, Business & Alimony) <p>An additional \$1,000 Contribution is allowed for Individuals aged 50 and above.</p>	<p>Lesser of:</p> <ul style="list-style-type: none"> \$7,000 (Single) & \$14,000 (MFJ) (for 2025) Earned Income (Wage, Business & Alimony) <p>An additional \$1,000 Contribution is allowed for Individuals aged 50 and above.</p>	<p>Lesser of:</p> <ul style="list-style-type: none"> 25% of Employee's Compensation \$70,000 (for 2025) 	<p>Employees: Employees can contribute up to a maximum of \$16,500 (for 2025). An additional \$3,500 Contribution is allowed for Individuals aged 50 and above.</p> <p>Employers: Employers can contribute either through a match or a non-elective contribution.</p> <ul style="list-style-type: none"> Match Contributions up to: 3% of an Employee's Compensation Non-Elective Contributions up to: 2% of an Employee's Compensation 	<p>Employees: Employees can contribute up to a maximum of \$23,500 (for 2025). An additional \$7,500 Contribution is allowed for Individuals aged 50 and above.</p> <p>Employers: Employers are not required to make matching contributions to 401(k) plans, but many employers do. If an employer does make matching contributions, they are typically made on a dollar-for-dollar basis, up to a certain percentage of the employee's salary.</p>
Distributions	<p>Principal: Taxable</p> <p>Interest: Taxable</p>	<p>Principal: Non-Taxable</p> <p>Interest: Taxable</p>	<p>Principal: Non-Taxable</p> <p>Interest: Non-Taxable</p>	<p>Principal: Taxable</p> <p>Interest: Taxable</p>	<p>Principal: Taxable</p> <p>Interest: Taxable</p>	<p>Principal: Taxable</p> <p>Interest: Taxable</p>
Distribution Age Limits	Distribution occurs after you've reached age 59 ½.	Distribution occurs after you've reached age 59 ½.	<p>Must occur at least five years after the first contribution to the Roth IRA</p> <p>Distribution occurs after you've reached age 59 ½.</p>	Distribution occurs after you've reached age 59 ½.	Distribution occurs after you've reached age 59 ½.	Distribution occurs after you've reached age 59 ½.

Penalties on Early Withdrawal	10% Penalty in addition to Income Tax on Principal and Earnings portion of Withdrawal	10% Penalty in addition to Income Tax on Earnings portion of Withdrawal	10% Penalty in addition to Income Tax on Earnings portion of Withdrawal	10% Penalty in addition to Income Tax on Principal and Earnings portion of Withdrawal	10% Penalty in addition to Income Tax on Principal and Earnings portion of Withdrawal	10% Penalty in addition to Income Tax on Principal and Earnings portion of Withdrawal
Qualified Early Withdrawal	No Penalty would apply on Qualified Early Withdrawal.	No Penalty would apply on Qualified Early Withdrawal.	No Penalty would apply on Qualified Early Withdrawal.	No Penalty would apply on Qualified Early Withdrawal.	No Penalty would apply on Qualified Early Withdrawal.	No Penalty would apply on Qualified Early Withdrawal.
Required Minimum Distributions (RMDs):	Individuals must start taking RMDs from Traditional IRA by April 1 of the year following the year in which they turn 73.	Individuals must start taking RMDs from Traditional IRA by April 1 of the year following the year in which they turn 73.	No RMD Requirements	Individuals must start taking RMDs from Traditional IRA by April 1 of the year following the year in which they turn 73.	Individuals must start taking RMDs from Traditional IRA by April 1 of the year following the year in which they turn 73.	Individuals must start taking RMDs from Traditional IRA by April 1 of the year following the year in which they turn 73.
Penalty for Failing to Take RMD	25% of the amount that was not withdrawn as required	25% of the amount that was not withdrawn as required	No RMD Requirements	25% of the amount that was not withdrawn as required	25% of the amount that was not withdrawn as required	25% of the amount that was not withdrawn as required

- Education Planning
 - Coverdell Education Savings Account (ESA)
 - Definition
 - A Coverdell Education Savings Account (ESA), formerly known as an Education IRA, is a tax-advantaged investment account in the United States designed to encourage savings to cover future education expenses.
 - How does a Coverdell ESA Work?
 - Establishment
 - ⇒ Determine Eligibility
 - ⇒ Choosing a Provider
 - ⇒ Opening an Account
 - ⇒ Selecting Investments
 - Contribution
 - ⇒ Non-Deductible Contributions
 - ⇒ Contribution Limits
 - Maximum Contribution to Coverdell IRA is \$2,000 per beneficiary.
 - Distribution
 - ⇒ Distribution
 - Principal: Non-Taxable
 - Interest: Non-Taxable
 - ⇒ Distribution Age Limits
 - Funds should be used by the beneficiary before age 30.
 - ⇒ Penalties on Non-Withdrawal
 - A 10% Penalty and Income Tax on Earnings would apply to any leftover funds.
 - ⇒ No Required Minimum Distributions (RMDs)

- Qualified Tuition Programs (529 Plans)
 - Definition
 - A qualified tuition program (QTP), also known as a 529 plan, is a tax-advantaged savings plan designed to encourage saving for future education expenses.
 - Types of Tuition Programs (529 Plans)
 - Education Savings Plans
 - ⇒ These plans allow one to contribute funds that are then invested in various investment options, such as stocks, mutual funds, etc.
 - Prepaid Tuition Plans
 - ⇒ These plans allow one to purchase credits or units at today's prices to be used in the future for tuition and, in some cases, other qualified expenses.
 - How Does a 529 Plan Work?
 - Establishment
 - ⇒ Account Setup
 - ⇒ Investment Options
 - Contribution
 - ⇒ Non-Deductible Contributions
 - ⇒ Contribution Limits
 - Each 529 plan sets its own maximum contribution limits.
 - Distribution
 - ⇒ Distribution
 - Principal: Non-Taxable
 - Interest: Non-Taxable
 - ⇒ Penalties on Non-Qualified Expenses
 - 10% Penalty and Income Tax would apply on the Earnings portion if funds were used for Non-Qualified Expenses.

⇒ Beneficiary Changes Allowed

○ Student Loans

▪ Types of Student Loans

➤ Federal Student Loans

⇒ Stafford Loans

⇒ Parent Loans for Undergraduate Students (PLUS)

➤ Private Student Loans

▪ Free Application for Federal Student Aid (FAFSA)

➤ The Free Application for Federal Student Aid (FAFSA) is the first step in applying for federal student loans.

➤ The FAFSA determines your eligibility for federal financial aid programs, including grants and loans.

▪ Student Loan Interest Deduction

➤ Individuals can deduct the lesser of \$2,500 or the amount of interest paid on a student loan for the tax year for themselves, a spouse, or dependents.

- Grants & Scholarships
 - Grants and Scholarships are financial aid awards that do not need to be repaid. They are typically awarded based on financial need, academic merit, or other specific criteria.
 - There are various Grant Programs available at the Federal, State, and Institutional Levels.
 - Federal Pell Grant
 - Federal Supplemental Educational Opportunity Grant (FSEOG)
 - Types of Grants
 - Need-Based Grants & Scholarships
 - Merit-Based Grants & Scholarships
 - Taxability of Scholarships and Grants
 - Non-Degree Students
 - ⇒ Taxable
 - Degree Students
 - ⇒ Not Taxable if they are used to pay for qualified education expenses.
 - Employer-Provided Educational Assistance
 - Employers can provide tax-free educational assistance to their employees up to \$5,250 per year.
- US Series EE Savings Bond
 - Interest income from U.S. Series EE Savings Bonds issued after 1989 may be excluded from taxable income if the bond proceeds are used to pay for Qualified Higher Education Expenses.

- Education Credits

- American Opportunity Tax Credit

- American Opportunity Tax Credit is available for qualified expenses for the first 4 years of college.
- The American Opportunity Tax Credit provides a maximum credit of up to \$2,500 per eligible student per year calculated as:
 - ⇒ American Opportunity Tax Credit = 100% of the first \$2,000 spent on qualified expenses + 25% of the next \$2,000 spent on qualified expenses.
- The Refundable amount is 40% of the credit. As such, the maximum refundable amount is \$1,000, which is 40% of \$2,500.
- A Taxpayer cannot claim the American Opportunity Tax Credit & Lifetime Learning Credit for the same student in the same year, but they can claim both credits for different students in the same year.

- Lifetime Learning Credit

- The Lifetime Learning Credit is an education credit available to eligible taxpayers who are pursuing higher education or acquiring new skills.
- The Credit is Limited up to \$2,000 per taxpayer, i.e., 20% of the first \$10,000 paid on behalf of all family members together.
- The Taxpayer cannot claim the American Opportunity Tax Credit & Lifetime Learning Credit for the same student in the same year but can claim credits for different students in the same year.

- Investment Planning
 - Equity
 - Risks
 - Market Risk
 - Company Risk
 - Sector Risk
 - Volatility Risk
 - Liquidity Risk
 - Returns
 - Potential for Capital Appreciation
 - Dividend Income
 - Advantages
 - Tax Efficiency: Capital Gains are subject to Lower Tax Rates
 - Potential for Higher Returns
 - Disadvantages
 - Market Volatility
 - Lack of Fixed Income
 - Treasury Securities
 - Risk
 - Interest Rate Risk
 - Inflation Risk
 - Returns
 - Fixed Income
 - Return of Principal

- Advantages
 - Credit Quality
 - Liquidity
- Disadvantages
 - Lower Yields
 - Interest Rate Risk
- Corporate Bonds
 - Risks
 - Credit Risk
 - Interest Rate Risk
 - Inflation Risk
 - Returns
 - Fixed Income
 - Return of Principal
 - Advantages
 - Income Generation
 - Diversification
 - Disadvantages
 - Credit Risk
 - Interest Rate Risk
- Municipal Bonds
 - Risks
 - Credit Risk
 - Interest Rate Risk
 - Inflation Risk

- Returns
 - Fixed Income
 - Return of Principal
 - Tax-Exempt Income
- Advantages
 - Tax Benefits
 - Potential for Fixed Income
- Disadvantages
 - Credit Risk
 - Limited Availability
- Mutual Funds
 - Risks
 - Market Risk
 - Manager Risk
 - Returns
 - Capital Appreciation
 - Dividend and Interest Income
 - Advantages
 - Professional Management
 - Diversification
 - Disadvantages
 - Fees and Expenses

- Insurance Planning
 - Life Insurance
 - Life Insurance provides financial support to the insured's beneficiaries upon the insured's death.
 - Health Insurance
 - Health Insurance assists in covering medical expenses, such as doctor visits, hospital stays, and prescription medications.
 - Long-Term Care Insurance
 - Long-Term Care Insurance covers services that are not usually covered by regular health insurance, such as assistance with daily activities like bathing, dressing, or eating.
 - Disability Insurance
 - Disability Insurance provides income replacement if an individual becomes unable to work due to a disability.
 - Homeowners Insurance
 - Homeowners Insurance offers protection for a person's home and possessions against damage resulting from incidents like fire, theft, and other perils.
 - Auto Insurance
 - Auto Insurance, required by law in most states, helps cover the costs related to vehicular damage and the property of others in the event of an accident.
 - Umbrella Insurance
 - Umbrella Insurance is a type of personal liability insurance that goes above and beyond the coverage limits of an individual's other insurance policies, like homeowners or auto insurance.

- Estate Planning
 - Legal Ownership of Assets
 - Sole Ownership
 - Joint Ownership
 - Trust Ownership
 - Beneficiary Designations
 - Types of Beneficiaries
 - Primary Beneficiaries
 - Contingent Beneficiaries
 - Allocation of Asset on Death of Beneficiary
 - Per Capita
 - ⇒ With per capita distribution, allocation is equal to each person or each beneficiary.
 - Per Stirpes
 - ⇒ With per stirpes distribution, allocation is equal at the level of the first generation.