

April 2026

## Tax-Aware Planning Where Strategy Creates Real Value

While investment returns often grab the headlines, they rarely tell the full story. Performance matters, but what truly distinguishes a well-designed financial plan is the coordination of taxes and income timing.

Tax-aware planning isn't about chasing loopholes — it's about coordination. Strategic decisions around when income is realized, how retirement accounts are structured, and where assets are held can quietly compound into long-term advantages. When investments, taxes, and planning work together, investors gain efficiency, flexibility, and greater control over their financial outcomes.

*"WHERE YOU INVEST MATTERS AS MUCH AS WHAT YOU INVEST IN. MATCHING YOUR INVESTMENTS TO THE RIGHT ACCOUNT TYPE BASED ON EACH ACCOUNT'S TAX TREATMENT CAN MEANINGFULLY BOOST YOUR AFTER-TAX RETURNS OVER THE LONG RUN."*



Amanda Stark  
Vice President

### Asset Location

Where your investments live can matter just as much as what you invest in. Different account types carry different tax characteristics, and aligning investments with the appropriate account type can improve after-tax returns over time.

Taxable brokerage accounts tend to work well for tax-efficient investments and long-term growth assets such as index-based public equity strategies, real estate and other long-term growth-oriented investments.

Traditional IRAs typically make sense for holdings that generate ongoing taxable income such as fixed income investments, private credit or actively managed strategies prone to capital gain distributions.

Roth IRAs are best suited for assets with higher growth potential given their ability to compound tax-free indefinitely. When implemented well, strategic asset location can reduce lifetime taxes paid and support long-term estate planning goals.

### Roth Conversions

Roth conversions can create long-term planning benefits. As wealth accumulates, managing the timing of income on a tax return becomes just as important as how much is earned.

# OPEROSE

Converting portions of a traditional IRA into a Roth IRA over several years, often during lower-income periods such as early retirement, can smooth out future tax exposure.

Beyond tax-free withdrawals, Roth assets provide flexibility, reduce required minimum distributions during your lifetime, help mitigate Medicare premium surcharges, and create a more tax-efficient legacy for heirs.

For many families, Roth conversions become even more effective when coordinated with charitable giving, capital gains planning, or deferred compensation timing.

## Tax-Efficient Brokerage Strategies

While retirement accounts often receive the most attention in tax planning, brokerage accounts can also provide powerful opportunities for ongoing tax management. When structured well, these accounts allow investors to actively manage tax exposure over time.

One of the most effective tools within taxable portfolios is tax-loss harvesting. During periods of market volatility, realizing losses on certain investments can offset current or future capital gains. Strategies such as direct indexing, which hold the individual securities of an index rather than a single fund, expand the number of opportunities to harvest losses across a portfolio.

Brokerage accounts also allow investors to be intentional about when gains are realized. In years where income is temporarily lower, recognizing gains may result in lower capital gains tax rates. Timing gains carefully can also reduce exposure to the Net Investment Income Tax (NIIT), which applies when income exceeds certain thresholds.

Another effective strategy involves donating appreciated securities directly to charity. By gifting long-term investments that have increased significantly in value, investors avoid realizing capital gains while still receiving a charitable deduction for the full market value of the shares. When coordinated with donor-advised funds or broader philanthropic planning, this approach can improve both tax outcomes and charitable impact.

Taxes are often one of the largest controllable expenses over time. Decisions around when income is realized, how assets are structured, and where investments are held can significantly influence long-term outcomes.

Strategies such as Roth conversions, tax-efficient brokerage management, and intentional asset location allow investors to retain more of what their portfolios earn while maintaining flexibility for future planning decisions.

Viewing taxes as an integral part of the investment strategy rather than a once-a-year obligation can improve long-term outcomes and overall efficiency. The Operose advisory team works closely with Operose Tax Services to provide proactive, year-round tax planning focused on lifetime tax liability, not just annual results. If your current approach has been reactive, we welcome the opportunity to help you develop a more strategic, long-term plan.

# OPEROSE

## Disclosure

*Operose Advisors LLC ("Operose") has prepared this presentation which does not constitute an offer to sell, or a solicitation of an offer to buy, any interest in any investment vehicle, and should not be relied on as such. Services provided by Operose Tax Services LLC are under a separate engagement and fee than services provided by Operose Advisors LLC.*

*The sources of information used in this document are believed to be reliable. Operose has not independently verified all of the information in this document and its accuracy cannot be guaranteed. Operose will not accept any liability for any direct or consequential losses arising from its use. The information provided herein is as of the date appearing in this material only and is subject to change without prior notice.*

*The inclusion of any forward-looking statement herein should not be regarded as an indication that Operose or considers forward-looking statements to be a reliable prediction of future events. The views contained herein are those of Operose and should not be taken as financial advice or a recommendation to buy or sell any security. Any forecasts, figures, opinions, or investment techniques and strategies described are intended for informational purposes only. They are based on certain assumptions and current market conditions, and although accurate at the time of writing, are subject to change without prior notice. Opinions, estimates, projections, and comments on financial market trends constitute our judgment and are subject to change without notice. Operose expressly disclaims all liability in respect to actions taken based on any or all of the information included or referenced in this document. The information is being provided based on the understanding that each recipient has sufficient knowledge and experience to evaluate the merits and risks of investing. Please consult your tax professional for tax advice.*

*This presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any interest in any investment vehicle, and should not be relied on as such. Services provided by Operose Tax Services are under a separate engagement.*

## **About Operose**

*Operose delivers customized financial solutions to meet investment advisory, family office, tax and alternative investment needs. We were founded on the belief that clients deserve access to quality, tailored service and institutional resources. Backed by a robust research team, Operose prioritizes service and a commitment to excellence, providing custom offerings that align with unique financial goals. With deep respect for the responsibility entrusted to us, Operose invests in relationships to understand and proactively meet each client's needs.*