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LEARN | How Taxes Impact Wealth

3 minutes

Over time, taxes can erode portfolio returns, diminish disposable income and impact wealth longevity. Proactive, ongoing and year-round tax management can help your clients to compound and grow their wealth.

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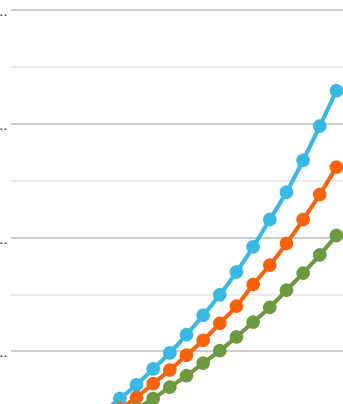
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Key Takeaway

You can help round out the information clients receive from their accountant and estate attorney by providing perspective on how taxes affect their portfolio.

Explore How Taxes Can Impact Future Wealth

Portfolio Value (\$mm)



Select each hypothetical portfolio to learn how tax drag can impact wealth over time.

For illustrative purposes only. The above hypothetical analysis compares a base portfolio of \$1M that assumes a 7.5% annual return with two other portfolios with reduced annual returns of 6.5% and 5.5% over a 20-year period. The portfolios with reduced returns are meant to demonstrate the long-term effects of even a small amount of compounded annual return loss due to tax-inefficiency or "Tax Drag". Actual results may be influenced by more complex factors.

Next Step

Consider which clients in your portfolio might be good candidates for further conversation about a tax-aware investment approach to help reduce the impact of taxes on their portfolios.

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