

Post-Election Tax and Economic Update

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WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

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OUR PURPOSE

CLA exists to create opportunities — for our clients, our people, and our communities.

OUR PROMISE

We promise to know you and help you.

OUR CLA FAMILY CULTURE

We're one family, working together to create opportunities.

STRATEGIC ADVANTAGES

- Deep industry specialization
- Seamless, integrated capabilities
- Premier resource for private business and owners
- Inspired careers



Today's Presenters



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Managing Principal of Investments
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Investment Advisory Update

- Assessing market performance
- Considering risks
- Preparing your portfolio

Post-Election Tax Update

- Congressional makeup
- Biden's tax proposals
- Lame duck session
- Tax planning during uncertain times



Congressional Makeup

- House – Democrats retain control
- Senate - 50(R)/48(D)
 - Georgia – two runoffs in 1/2021
 - 50/50 – VP Harris tiebreaker
 - Filibuster



Biden's Tax Proposals

	Current	Biden Proposal
Corporate Rate	21%	28%
Top individual rate	37%	39.6%
Top effective rate on pass-through income eligible for Section 199A (filers with income > \$400K)	29.6%	39.6%
Top rate on long term capital gains (filers with income > \$1M)	20%	39.6%
Estate tax	40% \$11.58M (exemption)	45% \$3.5M (exemption)

Lame Duck Session

- Spending
 - Avoid government shutdown
- Stimulus
- Extenders
- Deductibility of PPP-funded expenses



Tax Planning in Uncertain Times

Individuals

- Rate increases may not impact you
- Reverse an installment sale
- Defer deductions
- Sell securities/assets
- Exercise stock options
- Convert to a Roth IRA



Tax Planning in Uncertain Times

Businesses

- Accounting methods
- Sell securities/assets
- Defer expenses

Tax Planning in Uncertain Times

Considerations

- Current tax rates
- Anticipated future tax rates
- Tax rates in previous years
- Net operating losses

Questions and Answers





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Thank you!

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