Dear Friends of our Firm:

The IRS gets you coming and going.

First, you must pay into the Social Security system while you're working and saving for retirement. And, once you're finally retired, you may have to fork over a good-sized chunk of your monthly Social Security check to Uncle Sam.

In fact, up to 85 percent of the Social Security benefits a retiree receives could be subject to federal income tax!

The actual tax liability is based on a complex calculation of your provisional income (PI). In short, PI is an awkward tally of your adjusted gross income (AGI), tax-exempt interest income and one-half of Social Security benefits received. If your PI exceeds certain tax law thresholds, you must pay the tax on Social Security benefits.

On the other hand, if you're able to reduce your PI, you may be able to minimize this unexpected tax … or even eliminate it entirely. Here are just a few ways you might cut your PI down to size this year:

- Buy a term annuity.
- Borrow money for living expenses.
- Cash in on stock market losses.
- Double up on IRA withdrawals.

Of course, you can tax-plan in a vacuum. We recommend that you schedule a meeting for an in-depth consultation so we can consider all of your tax needs. Our analysis is completely free!

Very truly yours,

[Signature]
[Name]
[Title]

P.S. If you wait until the year is over, it will be too late to address your situation. Call us at xxx-xxxx to set up an appointment today!