



BURLING

WEALTH PARTNERS

PREPARING FOR TAX SEASON
MARCH 2025

Connect With Us:



Zachary Patzik, CFA, CFP
Managing Director
zpatzik@burlingwp.com
312-825-0604



Steven Resnik, JD, MBA
Managing Director
sresnik@burlingwp.com
312-825-0601

About Burling Wealth Partners

Burling Wealth Partners is a Chicago-based, independent, fee-only fiduciary serving high-net-worth individuals and families from coast to coast. We provide comprehensive wealth management services designed to protect and preserve your wealth today, foster sustainable growth for the future, and instill the confidence to focus on what matters most to you and your family. Our client-centric approach ensures tailored strategies that align with your financial goals, offering clarity, simplicity, and long-term security.

One South Wacker Dr., Suite 2150
Chicago, IL 60606
info@burlingwp.com
(312) 825-0262

Let's face it—tax season can be a stressful time of year. But with a little preparation and some help from your trusted tax advisors, you can avoid last-minute scrambles and focus on the areas that matter most to you. Here are some key items to think through as we enter tax season!

The ABCs of Tax Documents¹

To file accurately and on time, you'll need to gather your essential tax documents. Here are some of the most common ones:

Category	Form	Description
Income & Investment Forms	W-2	Reports wages and tax withholdings from an employer.
	1099-NEC	Reports income earned as an independent contractor or freelancer.
	1099-DIV	Details dividends and capital gains distributions from investments.
	1099-INT	Reports interest income from banks or financial institutions.
	1099-B	Provides details on stock or investment sales, including capital gains and losses.
	1099-R	Reports distributions from retirement accounts such as IRAs and pensions.
Health & Education Forms	K-1	Reports income, deductions, and credits from partnerships, S corporations, or trusts.
	1095-A	Reports health insurance coverage through the ACA Marketplace.
	1095-B	Reports health coverage from private insurers or small employers.
	1095-C	Reports employer-provided health insurance (large employers).
Other Important Forms	1098-T	Reports tuition payments and education-related expenses for potential tax credits.
	1098	Reports mortgage interest paid, which may be deductible.
	5498	Reports IRA contributions, rollovers, and required minimum distributions (RMDs). Useful for retirement planning.
	5329	Reports additional taxes on early withdrawals from retirement accounts or excess contributions

Additional forms may apply depending on your unique financial situation, so be sure to check with your tax professional. Having these forms available will help ensure a smooth filing process and minimize delays. It's also good practice to review the prior years' tax forms and consider what changes may have been made in 2024.

¹ Gather Your Documents (Source: IRS.gov)



Review & Confirm Your Filing Status¹

Your filing status affects your tax liability and potential refund. Whether you're single, married, or head of household, each status has different implications. Life changes like marriage, divorce, or a new addition to the family can also impact your status. Be sure to review your filing eligibility and choose the most tax-efficient option.

Contributions to Be Made by Tax Day²

Good news! 2024 contributions can still be made by April 15, 2025 across several account types (IRA, Roth IRA, Health Savings, and SEP IRA).

Be sure to confirm with your tax advisor as your income and health insurance coverage may impact eligibility and contribution limits.

At Burling, Tax Planning is Year-Round

The best tax strategies are built over the course of the year. Here are a few ways you can stay ahead:

- **Harvest Available Losses:** If markets fluctuate, strategic tax-loss harvesting within your taxable accounts can help offset gains and reduce tax burdens. Turn those investment setbacks into savings!
- **Asset Location:** Allocate higher-yielding positions to tax-deferred or tax-exempt accounts that may limit your current taxable income. By doing so, you can defer income and potentially increase your after-tax performance.

- **Tax-Advantaged Investments:** Investments such as municipal bonds, are generally exempt from Federal (and, in some cases, state and local) taxes. Other investment vehicles like tax-efficient exchange-traded funds or separately managed accounts, if available to you, can also be value adds.
- **Roth Conversions:** Converting pre-tax retirement funds into a Roth IRA triggers taxes now for tax-free growth and withdrawals later. Conversions can optimize after-tax wealth based on income and tax rates.
- **Charitable Bunching³:** Consider donations to organizations you care about—beyond making an impact, it can also provide tax benefits. “Bunching” consolidates multiple years of donations into one tax year to exceed the standard deduction and maximize tax benefits.

Need Some Extra Time?⁴

Filing a tax extension can give you extra time to get everything in order. Make sure you submit the extension request to the IRS by the normal April 15 deadline. The extension will grant you an additional 6-months to file by the new October 15 deadline. The extension only applies to filing your return, not paying any taxes owed. It's important to estimate your tax bill and pay any amount due by April 15 to avoid penalties and interest.



¹What is my Filing Status?, 11/13/2024 (IRS.gov)

²IRA Reminders, 8/20/2024 (Source IRS.gov)

³Year-End Strategies for Charitable Giving, 12/10/2024 (Source: Fidelity)

⁴Get an Extension to File your Tax Return, 12/4/2024 (Source: IRS.gov)



Your Financial Team, Working With Your Tax Team

Taxes are rarely a solo effort. At Burling Wealth Partners, we work collaboratively with CPAs and tax preparers to ensure that clients have a streamlined, stress-free process. We help coordinate activity, track necessary documents, and make sure the right details are communicated between you and your accounting team.

By looking at your full financial picture, we help identify opportunities to be more tax-efficient—not just in April, but all year long. Whether it's planning contributions, structuring withdrawals, or optimizing charitable giving, we help take the guesswork out of tax season.

Reach out to us today to start the conversation and ensure your financial plan is working for you—not just for tax season, but for the years ahead.

Notes:

Once you process a Roth conversion, you cannot undo the conversion and tax impact. Withdrawals from a Roth IRA are tax-free if you are over age 59½ and have held the account for at least five years; withdrawals taken prior to age 59½ or five years may be subject to ordinary income tax or a 10% federal penalty tax, or both.

Tax-loss harvesting has specific rules and limitations, such as only being useful in taxable accounts, restrictions on using specific types of losses to offset capital gains, and the wash-sale rule.

When investing in municipal bonds, please consider the appropriateness of tax-exempt investments in your portfolio, and the account where they are held. Income may be subject to the alternative minimum tax (AMT) and/or state and local taxes, based on the investor's state of residence.

Disclosures:

This information provided is solely for informational purposes only. Advisory services are only offered to clients or prospective clients where Burling Wealth Partners and its representatives are properly licensed or exempt from licensure. Past performance is no guarantee of future returns. Investing involves risk and the possible loss of principal. Burling Wealth Partners, LLC ("Burling") is an SEC registered investment adviser. SEC registration does not constitute an endorsement of the firm by the Commission nor does it indicate that the adviser has attained a particular level of skill or ability. Burling may only transact business in those states in which it is registered, or qualifies for an exemption or exclusion from registration requirements. Additional information about Burling Wealth Partners, LLC is available at burlingwp.com or on the SEC's website at www.adviserinfo.sec.gov.

Burling Wealth Partners does not provide legal or tax advice, and the information contained herein should only be used in consultation with your legal, accounting and tax advisors.