TWG THE WATCHMAN GROUP

CASE STUDY

RUSSELL

AGE: 48

Challenge:

Russell is a senior executive with a rising compensation package driven by salary, bonus, and equity. As his income increased, so did his tax liability. Each year, he wrote larger checks to the IRS with little ability to offset them in a repeatable way.

He had explored common strategies. Charitable giving helped, but permanently reduced his balance sheet. Real estate offered depreciation, but introduced complexity, illiquidity, and time demands he did not want.

He needed a solution that worked alongside his existing portfolio without becoming another responsibility.

Our Process:

We started with Russell's tax return, not his portfolio. From there, we identified an opportunity to introduce a strategy designed to generate recurring ordinary deductions while maintaining liquidity and minimizing operational burden.

We helped him by:

- Allocating to a trader fund strategy structured to generate ordinary deductions while maintaining market exposure
- Sizing the investment based on his taxable income and overall financial picture
- Coordinating directly with his CPA to ensure proper integration into his broader tax plan
- Positioning the strategy as a complement to his existing investments, not a replacement

RESULT:

Working alongside his CPA, Russell introduced a repeatable source of tax efficiency into his financial plan. He reduced his annual tax liability without sacrificing liquidity, taking on new operational burden, or making permanent financial commitments.