

OVERPAYING YOUR TAXES?

PROBABLY, IF YOU'RE PAYING MORE THAN 4.5%

The United States General Accounting Office (GAO) estimates 60% - 90% of all tax returns prepared by tax professionals contain errors.

In 2019, the [GAO told Congress](#) the tax code complexity results in both under-payment & over-payment of taxes. A GAO study of paid tax professionals (CPAs) revealed:

- only ten percent (10%) prepare tax returns correctly, per tax law & error free,
- thirty-seven percent (37%) *"made errors with substantial tax consequences"*.

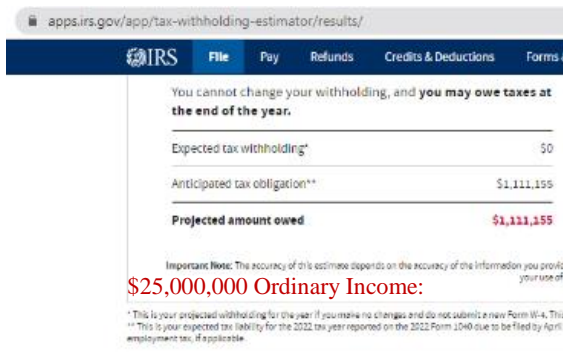
Of course that's better than [prior studies where not one CPA was correct](#) and the range of tax liabilities between the highest and lowest was 100% or twice as much.

Congress estimates over half of all taxpayers overpay their taxes by not taking advantage of available tax provisions.

89% of taxpayers that overpay their taxes use "professional" fee paid tax preparers such as CPA's.

The Treasury Inspector General for Tax Administration reports less than half of taxpayers take advantage of the available income tax provisions finding that:

- paid tax preparers didn't know about key changes in the tax code,
- didn't think their clients would benefit, or
- used preparation software that led them to believe there would be no benefit.



apps.irs.gov/app/tax-withholding-estimator/results/

You cannot change your withholding, and you may owe taxes at the end of the year.

Expected tax withholding*	\$0
Anticipated tax obligation**	\$1,111,155
Projected amount owed	\$1,111,155

\$25,000,000 Ordinary Income:

* This is your projected withholding for the year if you make no changes and do not submit a new Form W-4. This ** This is your expected tax liability for the 2022 tax year reported on the 2022 Form 1040 due to be filed by April employment tax, if applicable.

With YES – 4.5% Tax Rate, Tax Owed \$1,111,155

Your Information

The following is a recap of information entered on the preceding pages on which you need to edit information.

About You

Filing status: **Single**

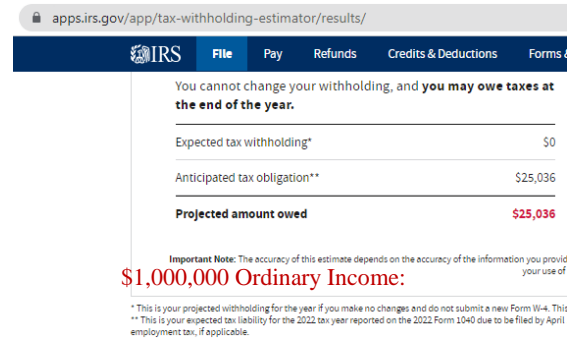
Income & Withholding

Total pre-tax income	\$25,000,000
Net income	\$25,000,000

more sophisticated business and financial activities, it's likely more simply falls through the cracks and is overlooked. It's not surprising then the wealthiest overpay the most.

With the prevalence of error filled tax returns prepared by leading tax professionals, what are the chances something might be amiss, lacking, or overlooked regarding your taxes? How would you really know? [How much is it really costing you?](#) (Render unto Caesar, that which is Caesar's, unto God, that which is God's. Mark 12:17) What else might be overlooked or falling through the cracks? Ever had a second opinion on taxes?

Significant errors & consistent over payment of taxes are common problems; secrets few CPA's or public officials want to discuss. Then there are the [tax secrets of the super-rich](#). Nevertheless, if you pay tax of more than 4.5%, **why?** YES - with another set of eyes and unique perspective - could be the difference between a tax rate of nearly 40% - about 50% with state taxes - or a total combined federal & state tax rate less than 5%.



apps.irs.gov/app/tax-withholding-estimator/results/

You cannot change your withholding, and you may owe taxes at the end of the year.

Expected tax withholding*	\$0
Anticipated tax obligation**	\$25,036
Projected amount owed	\$25,036

\$1,000,000 Ordinary Income:

* This is your projected withholding for the year if you make no changes and do not submit a new Form W-4. This ** This is your expected tax liability for the 2022 tax year reported on the 2022 Form 1040 due to be filed by April employment tax, if applicable.

With YES – 2.5% Tax Rate, Tax Owed \$25,036

Your Information

The following is a recap of information entered on the preceding pages on which you need to edit information.

About You

Filing status: **Single**

Income & Withholding

Total pre-tax income	\$1,000,000
Net income	\$1,000,000

It's worse for high income earners. The latest available data from the IRS reports that for those earning over \$400,000, less than 1/4 of 1% take full advantage of all available deductions and tax code provisions.

For example, as of September 2022, the IRS' W-4 Tax Withholding Estimator on their website, confirms an employee earning \$1,000,000 of ordinary W-2 income, can with proper planning, only owe about \$25,000. That's a 2.5% tax rate.

Those earning less than \$1,000,000 could owe even less – if anything.

The IRS also confirms even someone earning \$25,000,000 in ordinary W-2 income, a professional athlete or corporate executive for example, can with the proper planning owe as little as \$1.1 million. That's a tax rate of only about 4.5%.

[That's a single year tax saving of about \\$8,000,000.](#) Such real world examples of multiple years of similar tax savings and compounding investments confirms recent research & secret of the super-rich: [taxes have 10 times greater influence over long term wealth accumulation](#) than actual asset allocations or investments.

Everyone believes they have good tax advisors, but how do you know? Few ever get a second opinion until it's too late. No one knows everything. A rapidly expanding, ever changing tax code increasingly requires specialization. With