

FREE GUIDE

The 7 Tax Strategies Most High Earners Never Use

Legal. Proven. Overlooked.

\$4.2M+

SAVED FOR CLIENTS

200+

CLIENTS SERVED

98%

RETENTION RATE

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— INTRODUCTION

Why Most High Earners Are Overpaying

The U.S. tax code is nearly 80,000 pages long. Hidden within those pages are dozens of perfectly legal strategies that wealthy individuals, business owners, and savvy investors use to dramatically reduce what they owe. The problem? Most people — including many CPAs — never bring them up.

This guide is different. We're going to give you 7 of the most powerful, underused tax strategies available right now. No loopholes. No gimmicks. Just smart, legal planning that the IRS fully allows.

This guide is for you if...

- You earn \$150,000+ per year as an employee, consultant, or business owner
- You own real estate, investments, or a growing portfolio
- You paid more than \$30,000 in federal taxes last year
- You have never had a dedicated tax strategist — only a compliance-focused CPA
- You want to keep more of what you earn, legally and confidently

— THE 7 STRATEGIES

Your Tax-Saving Blueprint

Each strategy below is fully legal, IRS-approved, and actively used by our clients. The potential savings shown are real ranges based on client outcomes — your results will depend on your specific situation.

01

S-Corp Election

Convert your LLC or sole proprietorship to an S-Corp to split income between salary and distributions — legally avoiding self-employment taxes on the distribution portion. One of the highest-ROI moves for self-employed individuals earning \$60K+.

Save
\$8K–\$25K/yr

How It Works

The IRS requires you to pay yourself a 'reasonable salary,' but everything above that is a distribution — not subject to the 15.3% self-employment tax. On \$200K of net income, this can mean \$15,000–\$20,000 back in your pocket annually.

Ideal For

Freelancers, consultants, and business owners with \$60K+ in net profit

02

Solo 401(k) Maximization

Self-employed individuals can contribute as both employer and employee to a Solo 401(k), sheltering up to \$69,000 per year (2024) — far more than a traditional IRA.

Shelter up to
\$69K/yr

How It Works

As an employee, contribute up to \$23,000. As your own employer, contribute an additional 25% of your W-2 compensation. For those in the 32% bracket, maximizing a Solo 401(k) can reduce your tax bill by \$20,000 or more in a single year.

Ideal For

Self-employed individuals and S-Corp owners without full-time W-2 employees

03

Cost Segregation Study

Accelerate depreciation on commercial and residential real estate by reclassifying components into shorter depreciation schedules — generating massive paper losses in year one.

Generate
\$50K–\$200K
in losses

How It Works

A standard building depreciates over 27.5 or 39 years. A cost segregation study reclassifies 20–40% of the property into 5, 7, or 15-year schedules — or writes it off immediately under bonus depreciation. On a \$1M property, you might generate \$200,000+ in accelerated deductions in year one.

Ideal For

Real estate investors with properties purchased or renovated in the last 3 years

04

Real Estate Professional Status (REPS)

Qualify as a real estate professional under IRS rules to convert passive real estate losses into active losses — offsetting your W-2 or business income with no dollar cap.

Unlimited loss offset

How It Works

Normally, rental losses are 'passive' and can only offset passive income. But if you spend 750+ hours in real estate activities and it represents more than 50% of your working hours, those losses become unlimited — and can zero out your ordinary income.

Ideal For

High-income spouses of full-time real estate investors; active operators

05

Qualified Business Income (QBI) Deduction

Pass-through business owners can deduct up to 20% of qualified business income under Section 199A — a deduction most business owners don't fully optimize.

Deduct up to 20% of income

How It Works

If you own a pass-through entity (LLC, S-Corp, partnership), you may deduct up to 20% of your QBI. At \$300K of QBI, that's a \$60,000 deduction. Strategic W-2 salary structuring and entity planning can maximize what qualifies.

Ideal For

LLC and S-Corp owners in eligible industries below the income threshold

06

Defined Benefit / Cash Balance Plan

Shelter \$100K–\$300K/yr

High-earning business owners can contribute \$100,000–\$300,000+ per year to a defined benefit or cash balance plan — dramatically reducing taxable income.

How It Works

These IRS-qualified pension plans allow contributions far exceeding a 401(k). For a 50-year-old earning \$500K, annual contributions of \$200,000+ are possible — shielding income from taxes while building serious retirement wealth.

Ideal For

Established business owners aged 45+ with consistent high income and no employees

07

Augusta Rule (Section 280A)

Rent your personal home to your business for up to 14 days per year. The rental income is completely tax-free to you, and it's a deductible business expense.

**Generate
\$10K–\$20K
tax-free**

How It Works

Host legitimate business meetings — strategy sessions, board meetings, or client events — at your home. Charge your business a fair market rate (what a hotel or event space would charge). Your business deducts it. You pay zero tax on the rental income.

Ideal For

Business owners in any industry who have a suitable home for business meetings

— CLIENT RESULTS

These Strategies Work. Here's the Proof.

"ALG Blueprint saved my construction business over \$87,000 last year alone. More importantly, I finally understand my tax strategy — that peace of mind is priceless."

— **David M.**, Construction Business Owner

"After my cost segregation study and entity restructuring, my tax bill dropped by 41%. I wish I had done this three years earlier."

— **Tanya W.**, Real Estate Investor · 12 Units

"I came in making \$600K and paying taxes like it. I left with an S-Corp, a Solo 401(k), and a QBI deduction strategy that changed everything."

— **Robert C.**, Independent Consultant

— NEXT STEPS

Your Blueprint Starts Here

Reading this guide is the first step. But the real savings happen when these strategies are tailored to your specific income, entity structure, and goals.

ALG Blueprint offers a complimentary Tax Savings Analysis to qualified new clients. In 45 minutes, we'll identify which of these strategies apply to your situation and give you a realistic estimate of what you could save this year.

Ready to Build Your Blueprint?

Book a free, no-obligation Tax Savings Analysis with an ALG Blueprint strategist.

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— ABOUT US

ALG Blueprint — Consult. Plan. Execute.

ALG Blueprint is a boutique tax strategy firm serving high-net-worth individuals, business owners, and real estate investors nationwide. We are not a compliance shop — we are proactive architects of your financial future.

We work with a select number of clients at any given time, ensuring every relationship receives the strategic depth it deserves. Our process begins with discovery, builds through custom blueprint planning, and continues with year-round advisory support.

CONSULT · PLAN · EXECUTE

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This guide is for informational purposes only and does not constitute tax or legal advice. Consult a qualified tax professional before implementing any strategy.