

# HOW TO REDUCE TAXES ON RENTAL INCOME

## A SMART INVESTOR'S ROADMAP

Reduce your tax bill, increase your cash flow, and keep more of what your properties earn.

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### CAPTURE ALL DEDUCTIBLE EXPENSES

Track every legitimate expense related to your rental—big and small. The more you track, the more you may deduct.



#### WHY IT MATTERS:

Many investors miss deductions they're entitled to—don't leave money on the table.

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### MAXIMIZE DEPRECIATION

Depreciation lets you deduct a portion of your property's value each year—even as it appreciates.



#### WHY IT MATTERS:

It can reduce your taxable income dramatically—without affecting your cash flow.

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### CONSIDER COST SEGREGATION

A cost segregation study accelerates depreciation by identifying components of your property that can be written off faster.



#### WHY IT MATTERS:

Accelerating deductions can lower your taxes significantly in the early years.

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### UNDERSTAND PASSIVE VS. ACTIVE

Your level of involvement can impact how rental income (and losses) are taxed. Know the rules—and how they apply to you.



#### WHY IT MATTERS:

Proper classification can open up more deductions and loss opportunities.

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### USE TIMING TO YOUR ADVANTAGE

Strategically time expenses and income decisions throughout the year to optimize your tax outcome.



#### WHY IT MATTERS:

Smart timing can shift income or deductions to the year that benefits you most.

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### STRUCTURE AS YOUR PORTFOLIO GROWS

The right entity structure and overall strategy can protect your assets and reduce your tax burden.



#### WHY IT MATTERS:

Good structure today can save you money and headaches down the road.

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### REVIEW, ADAPT, REPEAT

Review your strategy regularly with a tax professional to ensure you're staying efficient and compliant.



#### WHY IT MATTERS:

Tax laws change. So do your properties. Your strategy should too.



#### THE BOTTOM LINE:

It's not about paying less tax at any cost. It's about keeping more of what you earn by using smart, legal strategies that fit your goals.



**PLAN IT.  
TRACK IT.  
OPTIMIZE IT.  
KEEP MORE OF IT.**