

[Date]

[Client Name]

[Client Address]

[City, State, Zip Code]

Dear [Client Name],

As we approach the end of the fourth quarter, we are reviewing your investment portfolio to identify opportunities for year-end tax optimization. A primary focus during this period is tax-loss harvesting to help offset realized capital gains.

Current Portfolio Status:

- Realized Capital Gains to Date: \$[Amount]
- Potential Tax Liability: \$[Amount]

Proposed Strategy:

We have identified specific securities currently trading at a loss relative to your initial purchase price. By selling these positions before the end of the year, we can use the "harvested" losses to reduce or eliminate the taxes owed on your gains. Following the sale, we intend to reinvest the proceeds into similar assets to maintain your target market exposure while adhering to IRS "wash-sale" rules.

Next Steps:

We will proceed with these adjustments by [Deadline Date] unless you have specific external gains or losses from other investments (such as real estate or private business interests) that we should consider. Please let us know if your overall tax situation has changed recently.

If you have any questions regarding how this strategy impacts your long-term financial plan, please feel free to contact our office.

Best regards,

[Advisor Name]

[Firm Name]

[Phone Number]