

### 2016 Tax-Year Guidance

- You may want to wait until late March to give your tax preparer your reports: Note that investment companies sometimes re-characterize income after year-end, which may result in your custodian having to issue revised Forms 1099. For this reason, if you plan on filing by this year's April 18, 2017 deadline, your tax preparer may recommend that you wait until late March to ensure that you have the complete data.
- **Capital Gains and Losses:** These are reported on the Form 1099 from your custodian.
- **Management Fees:** Forms 1099 from the custodian will include management fees paid to Modera Wealth Management from your taxable accounts, which may be deductible on your tax return. If your management fees were paid from more than one taxable account, this information will be shown on each of the 1099s from which fees were paid.
  - If any of your management fees were debited from tax-deferred accounts such as an IRA, they will not appear on the Forms 1099; such fees are not deductible.
- **Other Expenses:**
  - If applicable, Forms 1099 also will include other expenses paid out of your taxable accounts such as custodian fees and margin interest, which may also be deductible.
  - If applicable, Forms 1099 report foreign taxes paid out of your taxable account during the year together with disclosure of gross foreign income.
- **Completed Tax Return:** For our wealth management clients, please be sure to forward copies of your completed 2016 state and federal tax returns to our office to assist us in helping you.

We hope that you find the above information useful in the preparation of your taxes. Please contact us with any questions.