

Don't just manage taxes; optimize them

Taxes can significantly erode the value of your investment returns. Working with your financial professional and owning securities directly through customized, tax-smart vehicles such as custom SMAs (separately managed accounts) by Invesco gives you access to three powerful ways to potentially enhance your after-tax returns.



Harvesting tax losses

Swapping securities that are trading at a loss for similar securities can reduce capital gains taxes — all while staying invested to continue seeking to earn income and grow wealth.



Deferring gains

Postponing the realization of gains allows growth to compound for longer.



Managing tax rates

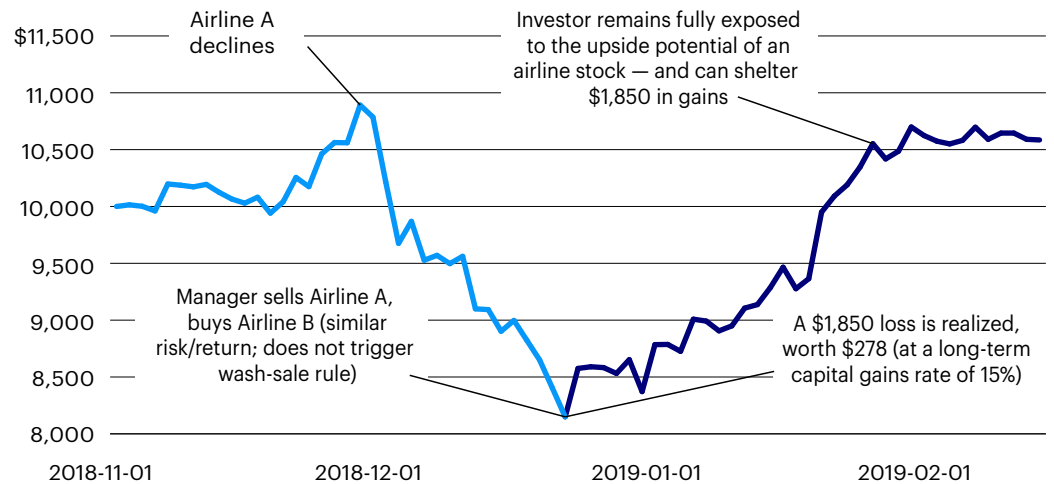
Paying attention to holding periods (long-term versus short-term capital gains) and types of dividends (qualified versus non-qualified) helps to ensure earnings are taxed at the lowest possible rate.

Harvesting losses

How does a loss become an asset?

A capital loss is an asset because you can use it to offset a capital gain. Active tax-loss harvesting means continuously sweeping the portfolio for a security trading below its cost basis, selling the security, and buying a replacement security with similar characteristics to keep you invested.

Tax-loss harvesting in action¹



1. Sources: Bloomberg L.P., Invesco, 2/1/2019. For educational and illustrative purposes only.

Managing tax rates

When it comes to investment taxes, character counts.

The preferential tax rates for long-term capital gains and qualified dividends mean that optimizing the character of your earnings shouldn't be an afterthought.

	Unfavorable treatment	Favorable treatment
Capital gains	45.1%	28.1%
	Holding period <12 months	Holding period ≥ 12 month
Dividends	45.1%	28.1%
	Holding period <45 days	Holding period ≥ 45 days

For educational and illustrative purposes only. The tax rates above reflect the combined federal and state rates for a California resident who is an individual filer with \$200,000 of modified adjusted gross income.

Unlock the power of personalization with Custom SMAs by Invesco

Custom SMAs by Invesco seek to deliver the customized solutions and tax-smart outcomes investors expect. These solutions are fueled by our extensive experience as an SMA provider and one of the world's largest asset management firms.



For more information, contact your financial professional.



Customized solutions

Customized portfolios to express investors' views and achieve desired exposures.

\$14 billion+

Over \$14B of AUM in SMAs.²



Tax-smart portfolios

Enhance the amount investors keep through tax-loss harvesting and other tax-optimization techniques.

23,000 +

Currently servicing over 23,000 unique client accounts.²



High-touch service

Centralized service model that provides high-touch service through every step of the process.

30+ years

Established provider in the SMA business since 1988, including 15+ years of experience with custom, tax-optimized investing.

2. As of Sept. 30, 2023.

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