



Traders' Academy Online Courses



Tax Optimizer – Study Notes

The Tax Optimizer is a tool available within Client Portal that lets users manage gains and losses for stock, bond, warrant, single-stock future and mutual fund transactions.

Tax optimizer lets users select one of several tax lot-matching methods.

- The default tax lot-matching method for the account can be changed. It can be changed for the current or prior trading day.
- The tax lot-matching method may be changed for a specific symbol for the current or prior trading day.
- Users may change the lot-matching method on the fly to immediately see the effect on users gains and losses by running real-time scenarios.
- And finally, users may manually match specific sales to open tax lots for the current or prior trading day.

Symbol	Method	Short Term P/L	Long Term P/L	Tax Lot Details
BIL	Highest Cost	0.00	0.00	Show
E	Highest Cost	0.00	0.00	Show
E	Highest Cost	0.00	0.00	Show
F	Highest Cost	0.00	0.00	Show
I	Highest Cost	0.00	0.00	Show
Total		0.00	0.00	

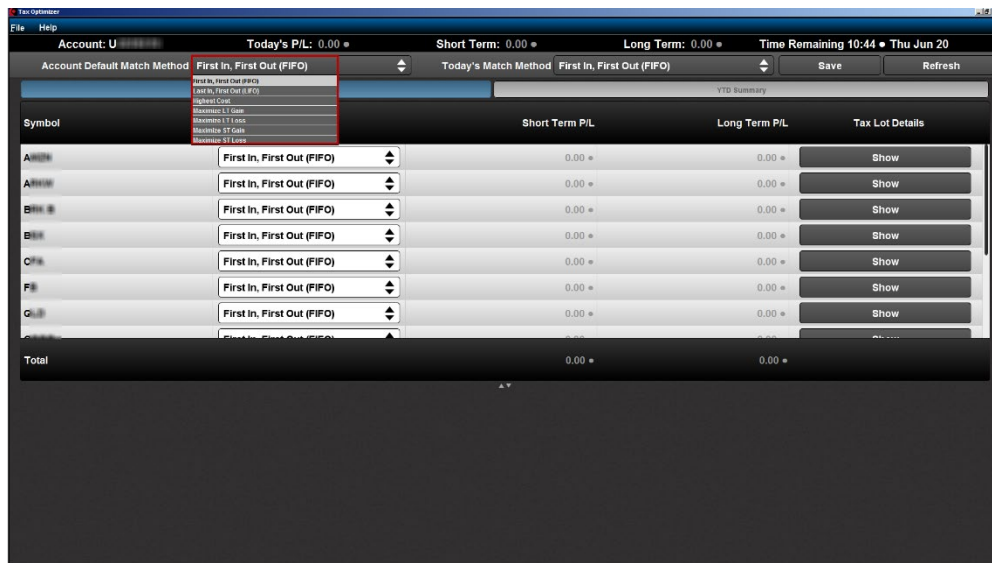
Within Tax Optimizer users can view a year-to-date summary screen displaying short-term and long-term profit and loss, unrealized profit and loss and total profit and loss by symbol. From this year-to-date summary screen users may change the account default lot-matching method and today's lot-matching method.

Access Tax Optimizer

- Access Client Portal and open the main menu.
- Locate and select reports and by clicking on Tax, the Tax Reports window will display.
- Locate Tax Optimizer in the upper right. Here you can select a date.
- Click the Launch Tax Optimizer button to save and then run the Java-based software.

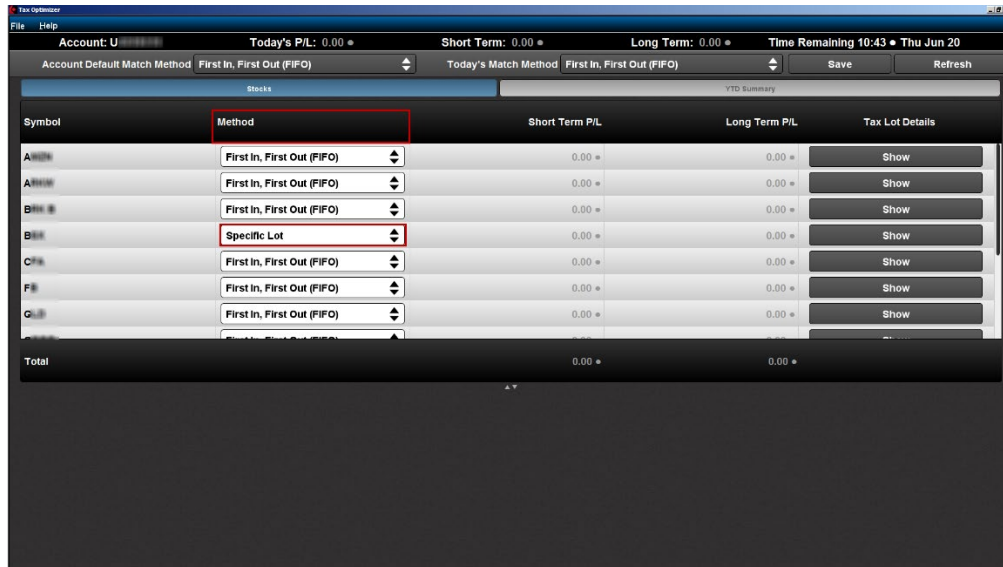
Account Default Match Method

- In the upper left corner users with multiple account structures may select an account.
- Beneath, click the dropdown menu to reveal and select the method you want to set as the default method for the account.
- Click the Save button in the upper right of the screen.



Changing the Match Method for Current or Prior Trading Day

- The default match method can be overridden for the current or prior trading day in the Tax Optimizer.
- The account default will resume the following day.
- Reveal the dropdown menu next to Today's Match Method and make the desired selection for today or the prior trading day, then click Save.

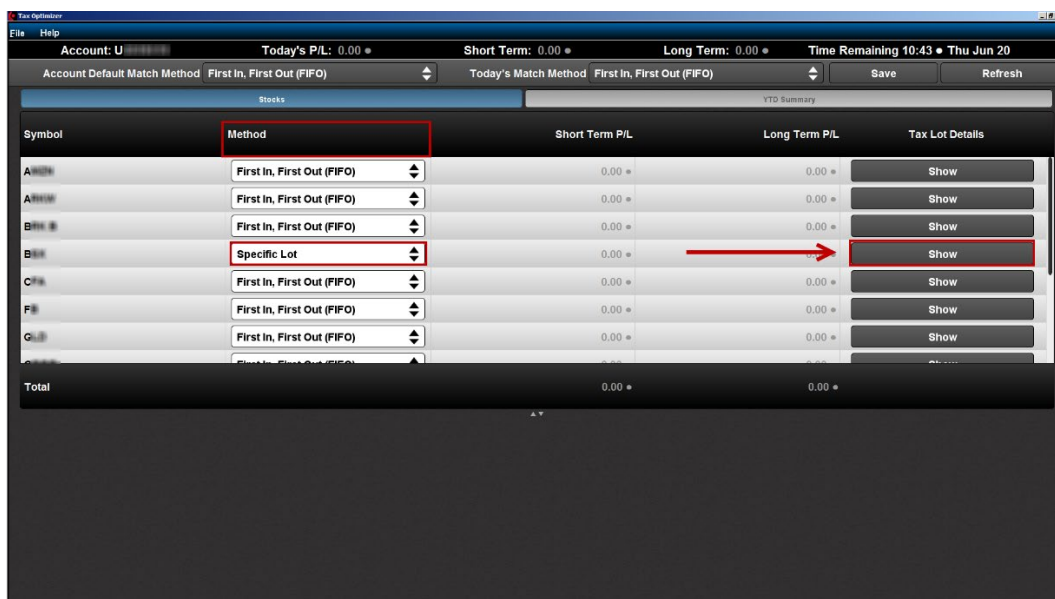


Changing the Match Method for a Specific Symbol

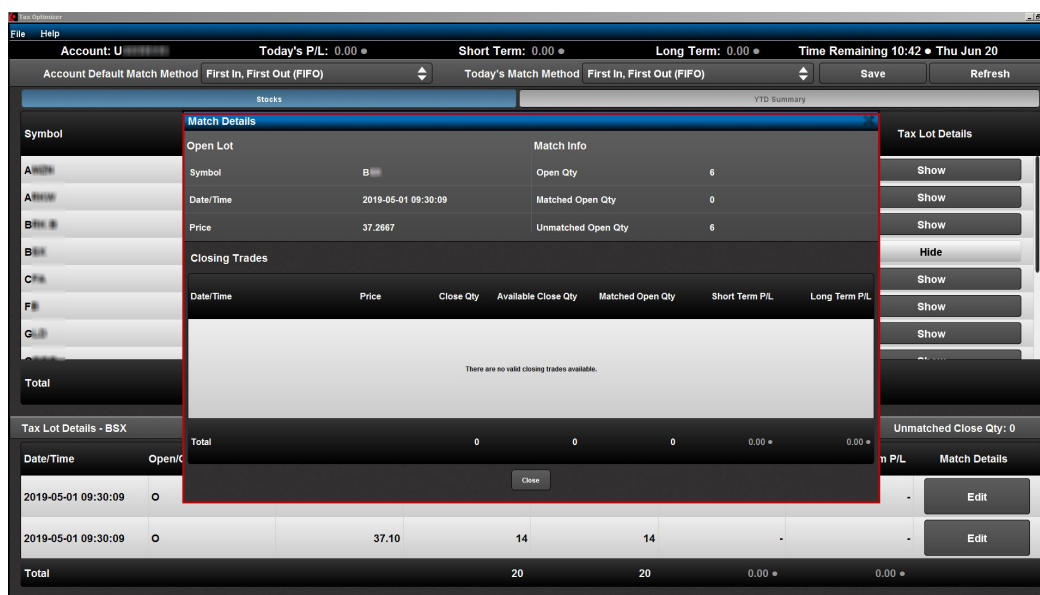
- To change the default tax lot-matching method for a specific symbol on either current or prior trading day.
- You'll see tabs listed at the top for the products for which you have positions.
- Use the dropdown menu under the Method column to the right of the desired symbol to select Specific Lot, then click Save.

Run What-If Matching Scenarios & Manually Match Specific Lots

- The tax Optimizer lets you run real-time what-if matching scenarios that allow you to change the lot-matching method on the fly for any symbol listed to immediately see the effect on your gains and losses.
- Click the **Show** button for the symbol to open the Tax Lot Details panel.
- Resultant changes to profit and loss are displayed on the Tax Lot Details panel.



- Select the **Specific Lot** matching method in the Tax Lot Details panel to see all of your tax lots and closing trades, including voluntary corporate actions, and manually match lots to trades.
- Specific Lot is available for today or a specific position, but is not available as the Account Default Match Method.
- Click the Edit button in the Tax Lot Details panel for a specific lot to display the Match Details window, which displays the open lot you selected and all possible sales that could be matched.



You can make changes and save them until 8:30 PM ET on any given day. The amount of time remaining until 8:30 PM is displayed in the upper right corner of the screen.

For more information about the Tax Optimizer and a specific tax lot example, access the Education menu, Documentation and then [Tax Optimizer](#).