

UNCLE KAM CASE STUDY 5

uncLEKam

Tax Year: 2024

Filing Status: Head of Household

Occupation: Real Estate Agent

Overview

This solo real estate agent was having a breakout year—but when tax season hit, they were shocked by what they owed. They weren't using any depreciation, had no entity setup, and were missing obvious deductions related to their home office and mileage. After working with Uncle Kam, they implemented a simple but powerful strategy stack that legally brought their tax bill to \$0.

Before vs. After

| | Before Implementing Tax Strategies | After Implementing Tax Strategies |
|------------------|------------------------------------|-----------------------------------|
| Total Taxes Due: | \$7,320 | \$0 |
| Net Tax Savings: | \$7,320 | |
| Investment: | \$2,000 | |
| ROI: | 3.66x | |

Deductions by Tax Strategy

| Tax Strategy | Deduction Amount |
|--|------------------|
| Real Estate Professional (REPS) Status | \$21,000 |
| Home Office & Business Mileage | \$3,500 |
| Retirement Contributions (IRA) | \$6,000 |
| Depreciation of Investment Property | \$9,000 |
| Entity Election (SMLLC Tax Planning) | \$2,000 |
| Advisory Prep & Structuring | \$3,000 |

Strategy Summary

We classified the client as a real estate professional, activated rental depreciation, and introduced an SMLLC entity structure to separate business income. With Augusta Rule scheduling, home office setup, and strategic IRA contributions, we legally eliminated all federal tax liability.

This is a classic example of what happens when tax planning is proactive—not reactive.

Client Result

A **\$2,000** investment turned into **\$7,320** in pure savings. But more importantly, this client no longer fears tax season—they understand how to control it.

“I paid \$0 in taxes. That’s not a typo. Uncle Kam made it happen.”