Texas No Income Tax Estate Planning Dallas TX Robert Davenport Farther

Texas's absence of a state income tax is one of the most significant financial characteristics of living and building wealth in Dallas, and it affects both the financial planning strategies that are available and the federal-level planning that is most important. Robert Davenport at Farther helps Dallas clients understand how Texas's tax environment affects their overall financial plan and what opportunities it creates relative to clients in high-state-tax states.

The absence of state income tax certified financial planner Dallas Robert Davenport - Wealth Advisor at Farther in Texas means that all income, whether from salary, business distributions, investment gains, or retirement distributions, is subject only to federal income tax. For high-income business owners and executives who relocate to Texas from states like California, New York, or New Jersey, where state income tax rates of 8 to 13 percent apply to high earners, the tax savings can be substantial. Robert helps clients who have recently relocated to Texas understand the full scope of this change and update their financial plans to reflect the new tax environment.The absence of state income tax does not mean an absence of tax planning complexity in Texas. Federal estate tax, which applies at a 40 percent rate to estates above the applicable exemption amount, is equally relevant for wealthy Dallas families as for wealthy families in any other state. The Texas gift tax, or rather the absence of a separate state gift tax that is distinct from the federal gift tax regime, creates specific planning opportunities for Texans engaging in wealth transfer strategies. And the Texas property tax system, which compensates for the absence of income tax with property tax rates that are among the highest in the nation, is itself a financial planning consideration for Dallas real estate owners.Robert Davenport - Wealth Advisor at Farther | Dallas, TX | (214) 617-3424

Dallas clients interested in understanding how Texas's tax environment affects their financial plan and planning options are encouraged to connect with Robert Davenport at Farther.

Call (214) 617-3424 or visit farther.com/advisor/robert-davenport.Robert Davenport - Wealth Advisor at Farther | Dallas, TX | (214) 617-3424