

September 30, 2025

Expect Capital Gains on Your 2025 Taxes

At ALTIUS, one of our core responsibilities is to keep your portfolio aligned with your goals, risk tolerance, and time horizon. Over time, markets move unevenly, causing portfolios to drift away from our intended allocation. To keep your plan on track this fall, we will be making trades across client accounts to rebalance portfolios back to our strategic targets.

Rebalancing and taking profits is a disciplined process that helps:

- Manage risk by preventing any one asset class from becoming too dominant.
- Capture gains by trimming appreciated positions and respecting valuations.
- Keep your portfolio aligned with your long-term plan.

A Note on Taxes

Because many accounts hold investments with gains, these trades will likely realize capital gains in 2025. This means you may see taxable gains reflected on your 2025 tax return. Please don't be surprised when that occurs—it is a natural byproduct of maintaining disciplined, long-term investment management.

While no one enjoys paying taxes, realizing gains is a healthy sign of growth in your portfolio. We are mindful of tax efficiency in our trading decisions and add value by allocating some holdings in tax-deferred accounts as well as “harvesting” tax losses and matching them against gains, but we never let the “tax tail wag the investment dog.” Our focus remains on what will best serve your wealth over the long run.

What This Means for You

Expect realized gains to appear in your 2025 tax reporting. No action is required on your part unless you have specific concerns or unique circumstances that we're not aware of. It's possible you will need to adjust tax withholding or quarterly estimates for next year and we will continue to coordinate with you and, if appropriate, your tax advisor to keep your strategy aligned with both your financial plan and tax situation.

Quote of the Day:

“Maybe history doesn't repeat itself... but it sure does seem to rhyme a lot.”

– Mark Twain

2025 EVENTS

Nov 19 – Q4 Workshop

Dec 4 – Holiday Party

TAKE A LOOK INSIDE

Expect Capital Gains on Your 2025 Taxes

Rate Cuts, Shutdown Risk, and Market Complacency

Taylor's Take: Extra! Extra 401 Investments

Jenn's Jangle: Friendly Reminder - Take Your 2025 RMD

250 Years Later: George Washington Takes Command

Save the Date for ALTIUS' last workshop of 2025: November 19th

More Details coming Soon!

Rate Cuts, Shutdown Risk, And Market Complacency

The Fed finally cut rates by 0.25% on September 17, lowering the federal funds target range to 4.00%–4.25%. The Committee framed the move as a response to softer labor trends and elevated uncertainty. The Fed also kept balance-sheet runoff in place and signaled it will stay data-dependent, which I view as unprincipled and ad hoc.

Government funding runs out after September 30 absent a deal. As we've become accustomed to, leaders are pushing a short-term bill to avoid a shutdown, but negotiations remain contentious, raising timing and headline risk around key data releases and agency operations. There have been five shutdowns since 1995 and many more have been threatened. We blame our congressmen and presidents but, in many ways, the American people are to blame since they are so unclear on what the proper role of government is. The US has a powerhouse, wealth-building economy built on private property and the rule of law. We and the world all benefit tremendously from that legacy, but these government shutdowns are caused by Americans (and their leaders) not understanding those fundamentals. Eventually, that lack of understanding could have negative consequences for the asset prices and the broader economy.

Equity valuations remain elevated by historical standards (forward P/E ~22–23×), leaving markets more sensitive to disappointments even as rate cuts support risk assets. Meanwhile, volatility has hovered in the low range relative to its long-run average signaling calm/complacency but also the potential for sharper moves if narratives shift.

Our focus remains the same: rational, long-term decision-making aligned with your plan—not the news cycle.

Taylor's Take: Extra! Extra 401k Investments

I'm imagining a New York Broadway-style newsboy yelling, "Extra! Extra read all about it—new investments available for 401(k) accounts." Is that how the rest of you felt when you heard the news? In the same sense, this is big news to draw a crowd, but we must be mindful of what this really means for employees as investors. Yes, there will be extra investment opportunities to consider, but also extra risk in the fine print.

So, what's in the fine print? On August 7th of this year, President Trump signed an executive order that allows for Employee Retirement Income Security Act of 1974(ERISA) plans like 401k, 401a, 403b, 457... to invest into *alternative assets*. This includes cryptocurrencies, private investments, and real estate.

Potential Benefits: More diversification, access to different asset types, potential higher returns, & more money flow to these investment types.

Considerations and Cautions: position sizing (there's a risk of over exposing to one asset class or investment when adding these to 401k accounts), liquidity issues relative to time horizons, "volatility laundering", understanding the underlying investment risk, higher fees on alternative investments, accreditation constraints(most private investments require a certain net worth to be eligible for this investing), & fiduciary & legal risk for plan providers.

Alternative investments can be useful tools, in or out of retirement accounts. If you have questions about how these work or apply to you, don't hesitate to reach out.

Jenn's Jangle: Friendly RMD Reminder

As part of your financial planning, we would like to remind any of you who have not already done so to take your Required Minimum Distribution (RMD) for 2025 from your retirement accounts, if applicable.

Please ensure that your full RMD is withdrawn by December 31, 2025, to avoid any potential penalties. It's an easy process and Mike has been recommending you take these earlier in the year, if possible, given market valuation levels. If you have any questions about the process or need assistance with your distribution, do not hesitate to contact us.

250 Years Later: George Washington Takes Command

As we approach the 250th anniversary of the Declaration of Independence next year, I'm reflecting each month on the enduring spirit of liberty that drove real people to risk everything—not the slogans or stagecraft we often see today, but as a lived commitment to self-determination, dignity, and financial freedom. That same spirit continues to shape our values and the work we do at ALTIUS.



In October of 1775, George Washington formally assumed command of the Continental Army after being appointed commander-in-chief by Congress. Until then, colonial forces were a patchwork of militias—courageous but lacking coordination. Washington's acceptance gave the struggle for independence what it desperately needed: unified leadership.

He took the role with humility and purpose, refusing a salary and dedicating himself to the cause of liberty. His leadership was grounded in principle and long-term vision—qualities that stand in stark contrast to the short-term calculations and factional squabbles that too often dominate politics today.

As we move toward the 250th anniversary of the Declaration of Independence, it's worth remembering that freedom requires more than slogans or posturing. It requires leaders—and citizens—willing to think long-term, take responsibility, and hold fast to enduring principles. Washington's legacy reminds us that our future, like his, will be defined by whether we rise to those standards.

Freedom begins with ownership—of your choices, your money, and your future.

Michael Williams, CFP®
ALTIUS Financial, Inc
michael@altiusfinancial.com
303-584-9271

* The views expressed represent the opinion of ALTIUS Financial, Inc. The views are subject to change and are not intended as a forecast or guarantee of future results. This material is for informational purposes only. It does not constitute investment advice and is not intended as an endorsement of any specific investment. Stated information is derived from proprietary and nonproprietary sources that have not been independently verified for accuracy or completeness. While ALTIUS Financial, Inc. believes the information to be accurate and reliable, we do not claim or have responsibility for its completeness, accuracy, or reliability. Statements of future expectations, estimates, projections, and other forward-looking statements are based on available information and ALTIUS Financial, Inc.'s view as of the time of these statements. Accordingly, such statements are inherently speculative as they are based on assumptions that may involve known and unknown risks and uncertainties. Actual results, performance or events may differ materially from those expressed or implied in such statements. Past performance is not indicative of future results.