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**THE 1% SECRET**

**HOW THE RICHEST  
AMERICANS PAY LESS IN  
TAXES THAN YOU**

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# The 1% Secret:

## How The Richest Americans Pay Less In Taxes Than You



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# There IS a Secret About Taxes...

## And Billionaires DON'T Want You To Know It!

You may not know it, but there's a reason the 1% always seems to come out ahead of everyone else. Let me give you a real world example...

### **Did you know there are two different tax codes?**

Yep, you heard me right...

Two different tax codes. One filled with tax breaks and special discounts for the wealthy... and one tax code filled with landmines and tripwires for the rest of us.

It's absolutely true.

Take a quick look at the IRS website. You won't find a single mention of the Billionaire tax code... But it's there.

I've seen it year after year with the special subsidies and handouts from the government to the wealthy 1% all the time. I call it the "1% Secret."

(I'll show you absolute proof in just one moment, so you don't have to rely on my word.)

The Biggest problem with this "1% Secret"... all the money and benefits the government passes out to billionaires has to come from somewhere... **and it comes from YOUR tax dollars!**

It's one more government institution set up against the little guy. Injustice in Washington is nothing new. For decades we've been blaming the politicians and the bureaucracy. Many blame the lobbyists.

Now you can add the IRS to that list!

According to my research, the Internal Revenue Service is in bed with the wealthiest of Americans. They've set up a grand conspiracy, to tax the wealthy less...

I mentioned it earlier, but there's a different tax code for the really wealthy.

I call it the "1% Secret"

It's a secret tax code - The Billionaire Tax Code - and it's full of loopholes, back room deals, and sly side agreements to make sure the wealthiest Americans pay less to the government than you do.

**I call out three of the biggest side deals in this very report.**

The richest 1% manipulate the IRS to keep their money - and you get to pay the bill. Later on, I'll expose how you can turn the tide yourself... but first proof of the secret billionaire tax code.

At the heart of this dual tax code claim is my basic research.

You've gotta understand, I'm not making this up.

This isn't a conspiracy theory.

This isn't the ramblings of some fringe lunatic on the edge of society.

The camouflage is coming off this "1% Secret"... the Billionaire Tax Code is being exposed.

Want Proof?

Look no further than the New York Times. They started peeling back the layers on the onion. They started naming names, and calling out the richest of the rich.

You can read the article right here:

<http://www.nytimes.com/2015/12/30/business/economy/for-the-wealthiest-private-tax-system-saves-them-billions.html>

But now I'd bet dollars to donuts, the NY Times is starting to see pressure from these high powered wealthy individuals.

You see this article was big enough to make people mad. Big groups of people got really mad. There were thousands of comments on the blog, and the story almost broke the internet!

So what's happened since the article was released?

NOTHING... not a peep.

No follow-up, no expose, no interviews with the rich about the Billionaire tax code, no congressional investigations. And there's a good reason...

## WHAT THE RICH 1% DON'T WANT YOU TO KNOW...

I know you are busy, so let me get to the bottom line... this billionaire tax code isn't about justice. This tax code isn't about being fair to us.

The Billionaire Tax Code is about giving the richest of the rich a way to avoid paying taxes. They get to avoid paying their fair share.

This is about putting the demands of a few, over the good of the country.

And It's Bad...

Here's a direct quote from the New York Times:

*"When Bill Clinton was elected president, the 400 highest-earning taxpayers in America paid nearly 27 percent of their income in federal taxes, according to I.R.S. data. By 2012, when President Obama was re-elected, that figure had fallen to less than 17 percent"*

Like I said... the rich get richer and you pay the bill.

This article provided the basis for this free report. Now, let me show you how they do it...

## HOW THE BILLIONAIRE TAX CODE WORKS

At the heart of the “1% Secret” is the advisors - the right hand men of the ultra wealthy. These are well educated, well paid Lawyers, Accountants, and Bankers.

Their life’s mission - cut the masters tax bill.

They work hard, and they get paid handsomely to do it.

They don’t care about they impact on our economy, the financial wherewithal of the government, or the impact on the rest of the tax paying public.

You might even make the argument their manipulation of the IRS threatens our very survival as a democratic society.

Because of their non-tax payments - the government has less money to pay for military services, terrorism investigations, and provide other critical government services.

Like it or not, it’s happening today. Right under the nose of the american public.

The advisors who work hard to manipulate the billionaire tax code... they don’t just work for anyone. It’s expensive to employ these Billionaires tax manipulators... you need to have hundreds of millions - even billions in the bank.

So how do they do it?

There are many loopholes in the Billionaire tax code. Today I'm going to share with you three of them.

The Bermuda Loop, Life After Death Tax Scam, And Income Laddering.

Let's look at each of these individually,

### **Billionaire Tax Loophole #1 - The Bermuda Loop**

Bermuda is a beautiful place... and Billionaires love it. Every time they visit, they pay less in taxes!

How do they do it?

It's a complicated shell game. But at the heart of it is a Bermuda Insurance company. The sneaky billionaire routes his investments through the insurance company and into a hedge fund. (Often a hedge fund they control.)

The short term, high tax profits, from the hedge fund are transferred, looping back to the insurance company. There they magically become long-term low tax gains. By using the Bermuda Loop vehicle to invest in his own hedge fund, our Billionaire takes the high tax hedge fund gains and converts them from short term investments to long term investments... this dramatically cuts his overall tax rate.

If the Bermuda Loop is used in the right way, billionaires can cut their yearly tax bill by tens of millions of dollars. Soon a Million here and a Million there... it adds up to real money!

Don't think these tax savings amount to much?

Later on, I'll share a story of two billionaires who have avoided paying over \$6.8 Billion in the last 10 years - Like I said - a million here and there, and it all adds up!

## **Billionaire Tax Loophole #2 - Life After Death Tax Scam**

This is a straightforward billionaire loophole where everyone sees the manipulation.

It comes down to the wealthy 1% cozying up to our government officials and working to slowly eliminate the death tax.

\$5.4 million... that's the current level of the death tax. If you own an estate with a value more than \$5.4 million, the government's going to tax it.

The billionaires are working with exotic insurance policies to cover this tax. Remember Insurance payouts are tax free to the recipient. But that's just the start. While using these insurance policies, the wealthy 1% is pressing government officials to do away with the tax entirely.

If this tax is eliminated, the billionaires will pass along more of their fortunes to their family, ensuring the continuation of their Dynasty!

And that brings us to tax dodge #3

## **Billionaire Tax Loophole #3 - Income Laddering!**

The Income laddering technique is the sneakiest tax manipulation of them all. It's a favorite tax dodge of the hedge fund 1 percenters!

Here's how it works - in a really simplified way...

Billionaires fund their hedge funds calling their investments a carried interest. In a nutshell, it allows them to take short term gains (normally paying higher rates) and convert them to long term gains, paying a much reduced tax rates.

Every time the hedge fund scores a big gain... they sidestep the tax bill, pocketing millions more.



Like I said, the Billionaire tax code saves the wealthy money, and passes you and me the bill!

## WHY DOESN'T THE IRS JUST CRUSH THE BACKROOM DEALS?

You've probably got a great question hanging off your lips...

"Why doesn't the government just crack down on this special billionaire tax code? Why doesn't the IRS just put a stop to these unfair practices?"

**I've got two words for you: Political Giving**

It all comes down to money... the ultra wealthy giving money to politicians.

It's almost like they're buying protection!

Again, I'll pull a story right from the Times article.

Take two wealthy billionaires - Robert Mercer and James Simons - One leans right on political issues, the other leans left.

While their political leanings might be different, they share one thing in common... they are both are in a battle with the IRS. Their hedge fund, Renaissance Technologies, is being reviewed by the IRS.

At stake - a loophole allowing them to cut their tax bill by \$6.8 BILLION over the last decade.

You'd think the government would be really interested in collecting \$6.8 billion... right?

Well, not so fast.

These two have contributed "Hundreds of Thousands of Dollars" to fight any attempt to raise taxes! At the heart of the issue... the very legal

process itself. Americans donate money to politicians... and politicians pass rules and regulations... Regulations used by the IRS.

It's that donation process creating these Billionaire friendly loopholes!

Here's another example...

Back in 2009 congress decided to require investment partnerships to register with the SEC.

This would allow the SEC to review certain transactions and potentially expose tax avoidance and evasion maneuvers...

The way the rules were originally worded "family offices" would need to register as well. That requires these clubby organizations show their inner workings to the world... But after a quick work by some lobbyists... a year later rules were added largely exempting these private organizations from oversight.

After the change one billionaire decided to take advantage. Mr. George Soros converted his hedge fund into a family office to avoid oversight by the feds.

Billions of dollars shuffled here and there... all to save on government taxes and oversight.

Just to close the loop... in case you don't believe politicians are bought... Soros donated \$1 million to candidates in the 2016 presidential race... and his partner gave another \$300k to several other presidential candidates. Not to mention prior giving in years past!

Are you frustrated?

Are you mad as hell?

I know I am. So what's to be done?

# THE ULTIMATE REVENGE ON THE 1% SECRET

So what can we do as individuals.

To be frank I've really got only one solution.

You're welcome to write your Congressman... or complain to your Senator... but I don't think it will do much. Who will our politicians listen to... your complaints, or a billionaire handing them a fat check to get re-elected?

What can we do?

Short of overthrowing the system and starting over, it's going to be a long slog to get our political structure changed... and frankly I don't have the patience or time.

So, I'm taking a different tack...

I'm taking the ultimate revenge on the billionaire tax code. I'm going to use the very rules and regulations they put in place.

You see while the tax breaks I exposed above are used mostly by the wealthy... there's hundreds of other tax loopholes that can be applied to the rest of us.

There are tax breaks we can use on investing, small businesses, and even home ownership.

In my mind, the ultimate is making money with smart options trading strategies, and working with my tax advisor to shield those gains every chance I get.

You don't need to cheat the system... if you understand the tax code you can find many different (legal) ways to shield income from the tax man.

but, it all starts with making money - the smart way - in the markets.

To see one of the strategies I'm using to make money in the market, you should check out the [Advanced Options Advisor Service](#) right here.

This strategy allows us to profit regardless of the direction of the market. It's amazing how many times we've grabbed a winning trade!

Soon, we'll be using the same billionaire tax strategies, and keeping the tax man's grubby hands out of our own pockets.

[Learn More Here...](#)

<https://optionstradingresearch.com/premium/aoa-intro-2/>

Profitably yours,

*The Options Trading Research Team*

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