Unlocking Tax Alpha: Smarter Transitions in Tax Management with Adhesion and WisdomTree

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Key Takeaways

- The market shock on April 2, 2025, “Liberation Day,” highlighted the need for year-round tax-loss harvesting, not just year-end maneuvers, as volatility can strike at any time.
- Adhesion’s tax-aware platform enables scalable, systematic harvesting and personalized transition plans, turning tax management into an always-on advantage for advisors and their clients.
- By integrating WisdomTree’s diversified model portfolios with Adhesion’s operational infrastructure, advisors can deliver tax-efficient, customized solutions without increasing their workload.

It's hard to believe it has already been six months since "Liberation Day," April 2, 2025, when tariff headlines rattled markets and turned neat, year-end tax plans upside down. For many advisors, that week was a wake-up call to not count on a single December sprint for tax-loss harvesting. Market volatility does not wait for the holidays. It can show up in April, June or any other month, and with it come real, time-sensitive opportunities. In our recent Office Hours with Adhesion Wealth, we explored how that moment reinforced an important lesson: building tax management into the process throughout the year can unlock meaningful "tax alpha" and better outcomes for clients.

Meeting Advisors Where They Are

Adhesion gives advisors the scale and infrastructure to design, implement and manage portfolios more efficiently. With a wide menu of models and separately managed accounts (SMAs), plus outsourced trading, oversight, compliance and rebalancing, it helps free up time and resources.

At WisdomTree, we have heard consistently that advisors want more than "off-the-shelf" solutions. You want personalization without extra operational burden and tax-sensitive strategies that can be implemented seamlessly. That's why we have partnered with Adhesion to offer our CIO-managed, Shared CIO (custom) and ETF Essential model portfolios on their platform. Together, we make it simple to put the right portfolio

in place while equipping you with the research, insights and client-ready content that support meaningful conversations.

Tax-Loss Harvesting: Beyond Year-End Opportunities

One of the most straightforward ways to add value is systematic harvesting. Too often it is treated as a December exercise, but markets create opportunities throughout the year, and April's tariff shock proved that point.

Adhesion makes harvesting part of the process, reviewing accounts multiple times annually and reinvesting in proxies so clients stay fully invested. The platform also supports ad hoc harvesting during volatile periods and adds important safeguards, such as wash-sale avoidance, deferral of short-term gains and protection for restricted positions. The result is a disciplined, scalable approach that helps maximize benefits while keeping risk in check.

Tax-Smart Transitions: Removing a Major Pain Point

Transitioning legacy portfolios into models can create real tax headaches. In our research, it's the number one barrier advisors cite when considering model adoption.

Adhesion addresses this with phased transition plans built around each client's tax budget. Instead of realizing all gains in one year, advisors can spread the impact over time while steadily moving portfolios toward their target allocations. The combination of smart technology and hands-on human oversight helps keep transitions efficient, personalized and client-friendly.

The WisdomTree + Adhesion Advantage

The strength of this partnership comes from bringing WisdomTree's models together with Adhesion's platform. Advisors can choose from:

- **CIO-Managed Model Portfolios:** Diversified, professionally managed solutions built by WisdomTree's Model Portfolio Investment Team.
- **ETF Essential Model Portfolios:** Available on Adhesion at discounted platform fees, making professional management more accessible.

Once implemented, advisors receive ongoing support, including commentary around rebalances, fact sheets and brochures to use with clients, and co-branding or white-labeling options. In practice, WisdomTree becomes an extension of your research and marketing team, while Adhesion manages the operational execution behind the scenes.

Closing Thought

If "Liberation Day" taught us anything, it is that markets do not schedule opportunities around our calendars. Waiting until December risks leaving both tax benefits and client goodwill on the table.

With WisdomTree and Adhesion, tax-loss harvesting and tax-aware transitions become part of an always-on process. That way, when the next "Liberation Day" moment arrives, whether sparked by tariffs, interest rates or unexpected headlines, your clients are already positioned to capture it. That is how we turn sporadic, year-end maneuvers into a year-round, disciplined engine for better outcomes.

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