Ep58 | Reclaiming Control of Financial Strategy with Rachel Richards, CPA of Gelt Transcript

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Sponsor Message: Gelt Tax Planning

Quick question. Are you [music] paying more in taxes than you should? Most high-earning physicians overpay [music] by tens of thousands because their CPA only looks backward, not forward.

Gelb is different. Dedicated CPAs powered by AI that work year-round, [music] not just at filing time. Tax strategy and proactive planning for practice owners, [music] investors, and physicians with complex financial lives. Built specifically for professionals [music] who want to keep more of what they earn.

Check out joingelb.com. That's j o i n g e l t dot com. >> If you work in healthcare, you already know this. Conflict [music] is everywhere. In the OR, in labor and delivery, in committee meetings, between physicians, nurses, administrators, and teams that are all trying to do the right thing. But here's the problem.

Most of us were never trained to handle conflict well. We learned procedures. We learned diagnostics. [music] But we didn't learn how to navigate the moments when two professionals strongly disagree. That's why I developed the SPARK framework.

Podcast Introduction and Worldview on Taxes

SPARK stands for stop, pause, ask, don't assume, reflect and respond, and create a path forward. It's a practical [music] system designed specifically for high-stakes healthcare environments. Through keynote [music] talks, residency workshops, and SPARK Master Classes. I teach [music] physicians, nurses, and healthcare teams how to turn destructive [music] conflict into productive conversations to strengthen teams and improve care.

If your hospital, residency program, or medical conference is looking for a speaker on conflict, communication, and leadership in healthcare, I would love to work with you. You can learn more in the show notes.

Because in medicine, conflict is inevitable. But handled well, it can [music] make teams stronger. In every operating room, in every ward, [music] in every clinic, and every team meeting, a silent battle brews.

Conflict, negotiation, identity. Welcome [music] to the Scalpel and Sword Podcast, where I, Dr. Lee Sharma, physician and conflict analyst, explore the hidden negotiations behind modern medicine. Let's trade burnout for boundaries and learn the art of healing with precision [music] and power.

Hello, my peaceful warriors, and welcome to the Scalpel and Sword Podcast. I am your host, Dr. Lee Sharma, physician and conflict analyst. And one of the things we talk about on the podcast is this concept of worldview. Worldview is the sum of our experiences, our beliefs, the way we see the world, and we have worldviews about everything.

And that also includes finances. Some of that for many of us also includes a worldview about taxes. Taxes this one of the things we see that we don't think we can fight. We earn, we pay, we move on.

And we succumb to the process. That's just how it works. But for high earning positions, that can be really staggering. And it can actually become, in a world of these situation, kind of a learned helplessness. But it doesn't have to be that way. And I don't think we as doctors have ever had a way to change the way we think about taxes, to literally change our worldview.

Rachel Richards on Proactive Tax Strategy

But I think today we're going to have this really cool opportunity to do that. My guest on the podcast today is Rachel Richards. Rachel is the head of product at Gelt and a CPA who lead team building and personalized fully compliant tax strategies for high earners and business owners. She's a member of Kiplinger's Advice Intel Program and serves on Gelt subject matter expert on tax strategy and optimization. If most of the tax industry is reactive, Rachel is one of those people who actually designing what proactive response looks like at scale. Rachel, welcome to the podcast.

>> Thanks for having me. I'm so excited to be here. >> I am so excited to hear. And I want to thank you so much for sponsoring this episode and being a sponsor of Gelt, Horn Sword. It just means the world that I'm able to have someone who's so knowledgeable and the wisdom that you're going to share with us, but also supporting the work this podcast does.

We're reaching a lot of people and sowing a lot of peace. So, thank you. So, you're a CPA. You became head of product as a tax company. So, what moved you from the realm of being a CPA into doing this kind of system building?

>> Yeah. So, when I was working as a CPA, working with clients, the thing that I really loved the most about what I was doing was being able to sit down with clients, learn about their situations, find them tax strategies, and kind of help them achieve their goals. But, all of that was really limited to the amount of time that I had. So, I could do something really well, but only to a certain extent. And so, I really wanted to be able to productize that and not just think about what can I do for this client right now today, but also how can I build a system where all kinds of clients can get the same type of value and the same type of service without it being totally dependent on what my time limitations are. So, to really be able to deliver that great service at scale. >> That's huge because when you're in that one-on-one situation and you're helping that physician, that's got to feel really good that you're able to help this person see their finances in such a way that they're able to really maximize their benefit. But, then to be able to take that same idea and say, "You know what? I helped one, maybe I can help 10, maybe I can help 100." That is just a beautiful way to think about it. >> Yeah, and taxes are so personal. When we're talking to big groups, it's often answers are kind of like, "It depends." And everything really depends on your situation. So, it is challenging to find that balance between a really personalized service and something that you can do at scale. And I love a challenge, so that's why I think Gelt's a perfect fit for me. >> That's so cool. And I'm glad you say that because I think, you know, for a lot of us as physicians, I mean, I will freely admit that I'm one of these people that I hear the word taxes and I get really freaked out. And my accountant says, "Taxes." And sort of this your brain kind of starts to shut down a little bit. So, as you are working with professionals and you're working on their taxes, what kind of things do you see that really frustrate them?

>> The biggest frustration is when you're getting surprised with a big tax bill or when something's happening that you aren't expecting. And that can be really frustrating on both sides of the spectrum. As a professional, you're trying to meet the expectations and as the one getting the service, you want your expectations to be met. But really, that's where the proactive service comes in. If you're only communicating one time a year, you might not be giving enough opportunity to identify opportunities soon enough. So really, the breakdown I think happens when you are afraid of taxes, it's something that you're going to avoid because you don't want to do it and then it's a self-fulfilling prophecy. Because you avoided it, then that can tend to make your experience even more negative.

Tax Structure, Deductions, and Compliance

>> So you said something really interesting and I want to talk about that more because I think one of the things that you said that's really important is that a lot of us only talk to our CPAs once a year. We talk to our CPAs at tax time and other than that, we don't really interact with them. And the parallel in the world of medicine, of course, is that we see a patient once a year for a well visit and we give them what we feel like might be good advice and then they come back in a year and they haven't followed our advice. And there's a part of you that kind of goes, "Come on, we went through all this last year." But it's got to be the same for you that, you know, if you're seeing somebody you're helping financially and you give them some directive and you give them things that they can do and then they maybe don't follow through on them and they come back the following year like, "Why am I paying all these taxes?" So really, I think a big part of what you're doing at Gelt is you are helping people get this process more consistent so they're not getting this shock because they're only dealing with the topic once a year.

>> Yeah, and you have to remember, when you're filing your taxes, if you're doing that once a year, the taxes you're filing right now are for 2025. So, all you're doing is you're reporting all of the things that happened last year. So, your opportunity to really move the needle and make a difference is usually past. There are sometimes things that you can do after the fact that could help you save, you know, a few thousand dollars here and there, but if you want to do something major to change your situation, you needed to be about it last year. And so, by the time you're coming for your once a year appointment, you know, all we can do is put a bow on what happened and say, "Hopefully, we can do better next time." Where if we had the opportunity to be more proactive, then in Q3 and Q4, we can say, "Okay, this is where we think you're going to be. This is what you can do to make it better. And these are the steps you need to take in order to make that happen." So, we can really help you do so much more if we can make tax time more than a once a year thing. Like, filing your taxes should be the least stressful part of the whole process because you should know what's going to happen. You're just giving in your paperwork and having your CPA fill in the boxes for you.

>> That is huge. And I think that is the worldview shift. Is the idea that if you have actually put in this time, if you worked with Gelt, if you actually been very forward-looking in terms of what you've been doing during 2026 Q3, Q4, I think that's amazing. That filing should be the least stressful part of the process. >> Filing should not be the main event.

>> Okay. I mean, for me, that's mind-blowing because that is so not how I think about it. And so, this is a big shift for me. It's like the idea that the actual planning for 2027 is going to start now. So, this traditional CPA model this model, of course, still exists. You are counseling a physician, you're working with them, like they're working with guilt. What level of interaction is that physician going to have with you as they're getting ready to file in 2027? >> Yeah. Depending on your situation, it can be you get what you get. So, when we first start working with clients, we try to spend as much time as possible really understanding their tax situation so we can identify opportunities that are available to them. Because what strategies are going to work for you on one hand depend on what you have going on, how you earn income, what your family situation looks like. And then on the other hand, it also really depends on what you think your future's going to look like and what your goals are. So, for example, if you really love real estate, there are a ton of opportunities that could be unlocked by getting more involved in real estate or maybe you have a spouse that could become a real estate professional. And all of those things are great and could save you tons of thousands dollars. But, if you're not interested in that and you don't want to be a landlord, those things are going to take time and that time is worth a lot. So, the strategy is really personalized to what you have and what your goals are and what you're interested in. Because there are tons of things out there that you can do and it's really just finding that magic mix for you want to spend your time and your money.

>> And that's so cool because that is going to be a very individual picture. >> Yeah. >> 100%. So, I think part of the worldview, and I'm going to say this is definitely part of mine. I'm not sure if that's part of every physician's, that a lot of physicians assume that the tax code is rigged against them. That it's something that's out there to beat them, if you will. But, the reality of that's a little more interesting. So, tell me how the tax code actually treats W-2 income versus like business income or investment income. And sometimes physicians end up maybe not on the right side of those things.

>> Yeah, so it kind of works like a hierarchy. And at the top, you have your W-2 income, which is going to potentially be taxed at the highest rates, and you have the least opportunities to offset that income. And then, as you move on, you get into business income, where you're still taxed at that highest rate, but now you have the opportunity to take deductions against that and be more in control of the amount of income that's getting taxed. And then, you have investment income, capital gains, which usually get preferential tax treatment. And so, it's not how much you're making as it is how that income is structured and how it's coming to you.

AI-Native Tax Support and Human Oversight

So, where you're earning your money, and then, when it comes to deductions, how you're capturing those deductions, and are you really utilizing them in a way that's serving you. So, some things that we like to look at each year are, you know, what tax bracket are you in? Because sometimes, when you start making four or five hundred thousand, a $10,000 could take away $3,000 of credit. So, if you get close to those thresholds, we really want to push uh maybe we can double up on some expenses this year to get you in the right place.

And just optimize your situation based on where you're at this year. >> That's awesome, because I think this is one of the things I think, especially for physicians, you know, we're not And there are a lot of financially savvy physicians. There absolutely are. But there's a huge number of us that are not. And so, understanding that it's not just a number, but a structure, I think is really important, cuz that's not something a lot of us think about.

And I think another thing that kind of goes with that is the idea that we like the idea of structure, we like the idea of how much of what I'm working so hard for can I actually keep? I mean, that's a big part of this conversation. But I also think compliance is also part of that. One of the things as physicians we are definitely rule followers. We don't like to rock the boat. We always want to make sure that we're coloring inside the lines. It's sometimes how we got to where we are. So, where do you see this balance point between being very aggressive with optimization but still staying with compliance?

>> Yeah. I wouldn't call it necessarily aggressive. If there's a deduction or something that is available to you, I think that you should take advantage of that. But where it really makes a difference is with documentation. So, as long as you can justify the thing that you're doing, it's real, and you can document it, then absolutely go all out. If you bought a heavy vehicle that you got 100% depreciation on, and you got to use it 90% for business, then take that deduction. Like, there's no reason to not get a benefit just because it's working really well for you. So, I never want someone to be afraid of a deduction. But the most important thing is just documentation. I always tell clients like I can always tell the truth to the IRS. So, as long as you're reporting what really happened, and you have evidence to back it up, I don't think there's such thing as like a red flag. There's just taking advantage of opportunities that are in the tax code. >> Okay, that's fantastic. I'm so glad you said that because this concept of documentation, I think it's something that for doctors should be pretty inbuilt in what we do for a living because what you just talked about in terms of the tax code is exactly what we have to do in terms of billing insurance. When we can bill appropriately for the work that we do, we just have to make sure that we document appropriately to justify what we're billing, and it's no different in the tax code. So, this should be something that for doctors, we should be pretty good at that. You're preaching to the choir. I love that. I really do.

So, one of the things about Gelt, and I kind of want to drill down on this because I think this is an interesting concept. Gelt is AI native. So, what does that mean? >> So, by AI native, we're really leveraging AI. We don't want to replace the CPA experience. We do think there is a lot of value in having that personal relationship, but we try to eliminate the bottlenecks that prevent the CPA from being able to spend that time. So, we want to make our teams work more efficient. We want to make the communication more efficient and help people, if you're having conversations over many months, over email, over Zoom, we want to help analyze all of that information, be able to summarize everything, and you know, for a CPA, you can pick right back up where you left off, and you don't have to spend necessarily 30 minutes before every meeting trying to remember what was talked about last time, what open items you had. And then, AI also helps us do things that you're not capable of at a traditional CPA firm. You know, we can categorize documents, we can analyze financials, we can do all of those things for thousands of clients at a time, where at a traditional firm, it just wouldn't make sense to spend the time to do that. So, we can take away a lot of the bottlenecks that hold the CPAs back from having that proactive relationship and being able to spend the time looking beyond just compliance. >> That's huge. And one of the things I had mentioned to you before we started recording that yesterday I did a lecture on tax resolution to a group of CPAs, and these are all accountants and business officers that work in the university setting. And the lecture that was right before mine was a guy giving a lecture about the use of AI in accounting. And so, I listened to this lecture, and it was really interesting to me because I think the beauty of what guilt does is if you just do AI by itself, if you didn't have human beings that had CPAs that actually had a knowledge base looking at this data, that I mean, AI can hallucinate by itself, and AI can create things by itself.

Outsourcing, Accountability, and Asking Questions

You need this combination of especially as big as the tax code is, there's so much that if you actually use AI to help you analyze, capture opportunities, but you have a human being that's looking at it, who has a knowledge base able to say, "That's correct. I'm not sure about that." >> Yeah.

>> also, like you talked about, I think physicians, we like the idea of being reassured by a human being. That means a lot to us, and I think just like we want to be that reassuring presence to our patients, we want to be able to

communicate in a very effective way. I think having a face to sit down and reassure us that we're going to help you with your taxes, we are going to help you optimize, you are going to really be able to capture much more of your earned income, but we also have AI that's helping us do some heavy lifting.

>> Yeah. I mean, at the end of the day, AI isn't able to be accountable, so we try to leverage that to give our team superpowers, so that our team can be confident and accountable for the work that they're delivering. >> I love that. One of the things that I think happens a lot to you in medicine, and this is something that I think a lot of doctors do, we tend to outsource a lot of things. I outsource cleaning my car. I mean, I outsource so many different things in my life and I outsource my grocery shopping because those are things that I don't need to do that buy me more time. So, one of the things I think happens sometimes with financially outsourcing too much or maybe outsourcing in such a way like we said earlier that I'm only touching base with my account once a year. That's not really being the most productive thing for me. So, as trying to be good financial stewards, how do we work with a company like Gelt to maybe still be able to outsource and yet maintain some type of investment literally in this process? Is there a balance point between asking for help and then doing some of this on our own?

>> Yeah, I think the most important thing is to have clear goals and set clear expectations of what you want to achieve, what you want to get out of this relationship, and then leave it to your team to build a path to help you get there and hold you accountable. We can't make decisions for you. So, if there are decisions that need to be made, what we can do is follow up and make sure that you made that decision or you signed the form that you needed to or you created the new account in time or ran your payroll by the end of the year. So, we can hold you accountable for doing the things that you need to do to achieve your goals. >> That's huge. I love that because even though we're asking for help, we're not outsourcing the responsibility and accountability. We are still having to take those steps and actually be responsible for doing that, but there's a huge windfall in doing that that we actually do get rewarded if we display and we have that level of discipline.

And I think it's really good when you're talking about this kind of thing, doctors, even though we don't have a lot of business knowledge, most of us don't, I know that I don't, that sometimes there's that tendency for us to think that we know more than what we actually do.

And so, being able to listen to somebody who's a professional, you one thing I said in that room yesterday when I was talking, and I had said this to you as well, and I really do mean it. I admire what you guys do so much. I admire the knowledge base CPAs have. I look one of my best friends is a CPA, and I look at what she does, and I'm in awe of her ability to see the bigger picture behind the numbers. I think that's what's so cool about what you do, because there's a lot of narrative, a lot of things you find out about an individual, I think, when you look at their finances. I think that tells you a lot of stories about them. It tells you about their discipline. It tells you about what they love. It tells you about what's important to them when you look at what they're spending their money on. And so, as a result, you probably have a greater insight into things that are important to them just by looking at their financials. >> Yes, I totally agree, but at the same time, if there's something that you're thinking about or you've heard of, and it hasn't You should never be shy about bringing that up, because there are so many opportunities out there. Maybe that is something that your CPA thought of, but they didn't bring it up because they didn't think it would be something that you would be interested in. So, definitely, if you have curiosity or if you've heard about something, it's always worth running that by your CPA.

You should obviously trust your tax professional, but if something comes up, be able to have those open conversations and say, you know, "Hey, I heard about this. Is it relevant for me? Is this something that I could potentially do?" Because it does work both ways. We're going to try to help you achieve your goals, but if your goals are shifting and new things are happening for you, then we can shift with you. >> That is huge. I want to really highlight that, because I think we do get scared sometimes that when we're talking to our finance professionals that we're going to look stupid, and so we don't want to ask questions, and we'll hear about these things, or about these things, but we won't ask, right? When I'm at the doctor, I've Googled 12 things to pray, but I'm like, I don't want to insult them by asking this. So, I get it, too.

But really, don't be shy to ask because that's where trust is built. There's a mentor of mine who is a lawyer and a PhD, and she actually was at the University of Tennessee as their boots on the ground in-house mediator, and she's amazing. But one of the things that she talks about in terms of any kind of relationship and with conflict, of

course, but in anything is that trust is the coin of the realm. And was there ever a podcast more apropos than to use that quote than right now?

Clarifying Goals and Closing Remarks

But the idea that you are building trust in that financial relationship so much so that you can actually talk and say, "Hey, I heard about this. I saw this on TikTok. I read about this on front page of The Wall Street Journal, whatever." And I really want to ask about this. Is this right for me?

Something I can do. What's the worst that can happen? No. Maybe that's not a good place for you to go. >> Yeah. And we've heard it all. >> And see, it's so interesting, right? Because it's such a similar relationship. The way that you are working with your clients and the way that we work with our patients, it's just so completely similar. It's people with an interest coming to professional trying to gain wisdom and knowledge.

That That is the relationship, and that's what you guys do so beautifully. If you can give one piece of advice to every physician who's listening to the podcast right now, they've listened to you talk, they have questions about guilt, they love the idea of what you're doing in terms of really helping people understand how taxation can play into their finances and how this is an ongoing process. If you can encourage them to ask one question to their tax or health care or a financial professional, what would that be?

>> I would encourage you to share a goal and ask your tax professional what they can do to help you meet that goal. Now, it could be I want to lower my tax.

It could be I want to maximize my retirement contributions. I want to retire in 6 years. You know, kind of use that as a guide to start building that relationship. >> I love that. That's awesome. And I think that's really important the way that you phrase that answer that we really do have to get very clear on what those goals are.

Because I think a lot of times we do as physicians, as healthcare professionals, we think I just want to make more money. It's not very clear. I want to send my kid to college. Okay. We have things that we sort of in the back of our minds as a wish list, but in terms of being very clear about I want to retire in 5 years and once I retire, I want to go and hike to Mount Everest base camp. You know, something that's very, very, very crystal clear because the clearer we are on what our financial goals are, the more you can help us.

>> Yeah, and the more opportunities unlock for you. The more you share, the better your outcome will be. >> I love that. That is so awesome. Rachel, thank you so much for being here. We are obviously going to put the information for Gelt on the show notes, but the website is jointgelt.com, j o i n g e l t.com. We will put that link in the show notes.

But Rachel, thank you so much for being here. I learned a ton. >> Thanks so much for having me. >> This has been fantastic. Please come back anytime. We would love to have you back. This is fantastic. We were talking before we went on air that Rachel is also a tea drinker like me. So, next time when we talk again, hopefully we will talk again soon. I will have my tea as well and we can Perfect. Have tea together. It'll be fantastic.

To all of our peaceful warriors, thank you so much for being here. This episode, if it made you reconsider how you've been handling your own tax situation, this is the reason why Rachel's here. This is the reason why we're so thankful to have Gelt as a sponsor. Share this with a colleague who has been maybe like me, looking at filing taxes once a year and being afraid of doing that because you haven't prepped the year before. Actually prepping so that filing is the easiest part of that journey for you. Remember that if you have any particular questions, always seek out your own financial professional. Obviously, check out Gelt. They're fantastic. And until next time, peaceful warriors, be at peace.

>> Every episode is an invitation to speak, [music] to negotiate, to choose. I'm Dr. Lee Sharma. Join the dialogue by subscribing [music] to Scalpel and Sword. Until next time, peaceful warriors. May your choices be sharp >> [music] >> and your voice be even sharper.

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