2023 · WHAT ISSUES SHOULD I CONSIDER BEFORE THE END OF THE YEAR?

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ASSET & DEBT ISSUES	YES	NO
Do you have unrealized investment losses in your taxable accounts? If so, consider realizing losses to offset any gains and/or write off up to $3,000 against ordinary income.	☐	☐
Do you have investments in taxable accounts that are subject to end-of-year capital gain distributions? If so, consider strategies to minimize tax liability.	☐	☐
Are you subject to taking RMDs (including from inherited IRAs)? If so, consider the following: ■ RMDs from multiple IRAs can generally be aggregated; however, RMDs from inherited IRAs can't be aggregated with traditional IRAs. ■ RMDs from employer retirement plans generally must be calculated and taken separately, with no aggregation allowed. However, 403(b) plans are an exception, and RMDs from multiple 403(b)s can be aggregated.	☐	☐

TAX PLANNING ISSUES	YES	NO
Do you expect your income to increase in the future? If so, consider the following strategies to minimize your future tax liability: ■ Make Roth IRA and Roth 401(k) contributions and Roth conversions. If eligible, consider electing Roth employer matching contributions. ■ If offered by your employer plan, consider making after-tax 401(k) contributions. ■ If you are age 59.5 or over, consider accelerating traditional IRA withdrawals to fill up lower tax brackets.	☐	☐
Do you expect your income to decrease in the future? If so, consider strategies to minimize your tax liability now, such as traditional IRA and 401(k) contributions instead of contributions to Roth accounts. (continue on next column)	☐	☐

TAX PLANNING ISSUES (CONTINUED)	YES	NO
Do you have any capital losses for this year or carryforwards from prior years? If so, consider the following: ■ There may be opportunities to take offsetting gains. ■ You may be able to take the loss or use the carryforward to reduce your ordinary income by up to $3,000.	☐	☐
Are you on the threshold of a tax bracket? If so, consider strategies to defer income or accelerate deductions and strategies to manage capital gains and losses to keep you in the lower bracket. Consider the following important tax thresholds: ■ If taxable income is below $182,100 ($364,200 if MFJ), you are in the 24% percent marginal tax bracket. Taxable income in the next bracket will be taxed at 32%. ■ If taxable income is above $492,300 ($553,850 if MFJ), any long-term capital gains will be taxed at the higher 20% rate. ■ If your Modified Adjusted Gross Income (MAGI) is over $200,000 ($250,000 if MFJ), you may be subject to the 3.8% Net Investment Income Tax on the lesser of net investment income or the excess of MAGI over $200,000 ($250,000 if MFJ). ■ If you are on Medicare, consider the impact of IRMAA surcharges by referencing the "Will I Avoid IRMAA Surcharges On Medicare Part B & Part D?" flowchart.	☐	☐
Are you charitably inclined? If so, consider the following: ■ Explore tax-efficient funding strategies, such as gifting appreciated securities or making a QCD. ■ If you expect to take the standard deduction ($13,850 if single, $27,700 if MFJ), consider bunching your charitable contributions (or contributing to a donor-advised fund) every few years which may allow itemization in specific years.	☐	☐
Will you be receiving any significant windfalls that could impact your tax liability (inheritance, RSUs vesting, stock options, bonus)? If so, review your tax withholdings to determine if estimated payments may be required. (continue on next page)	☐	☐

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TAX PLANNING ISSUES (CONTINUED)	YES	NO
Do you own a business? If so, consider the following: ■ If you own a pass-through business, consider the QBI Deduction eligibility rules. Reference the "Am I Eligible For A Qualified Business Income Deduction?" flowchart. ■ Consider the use of a Roth vs. traditional retirement plan and its potential impact on taxable income and Qualified Business Income. ■ If you have business expenses, consider if it makes sense to defer or accelerate the costs to reduce overall tax liability. ■ Many retirement plans must be opened before year-end (if you follow a calendar tax year).	☐	☐
Have there been any changes to your marital status? If so, consider how your tax liability may be impacted based on your marital status as of December 31st.	☐	☐

CASH FLOW ISSUES	YES	NO
Are you able to save more? If so, consider the following: ■ If you have an HSA, you may be able to contribute $3,850 ($7,750 for a family) and an additional $1,000 if you are age 55 or over. See "Can I Make A Deductible Contribution To My HSA?" flowchart for details. ■ If you have an employer retirement plan, such as a 401(k), you may be able to save more but must consult with the plan provider as the rules vary as to when you can make changes. ■ The maximum salary deferral contribution to an employer plan is $22,500, plus the catch-up contribution if age 50 or over is $7,500 per year.	☐	☐
Do you want to contribute to a 529 account? If so, consider the following: ■ You can use your annual exclusion amount to contribute up to $17,000 per year to a beneficiary's 529 account, gift tax-free. ■ Alternatively, you can make a lump sum contribution of up to $85,000 to a beneficiary's 529 account, and elect to treat it as if it were made evenly over a 5-year period, gift tax-free.	☐	☐

INSURANCE PLANNING ISSUES	YES	NO
Will you have a balance in your FSA before the end of the year? If so, consider the following options your employer may offer: ■ Some companies allow up to $610 of unused FSA funds to be rolled over into the following year. ■ Some companies offer a grace period up until March 15th to spend the unused FSA funds. ■ Many companies offer you 90 days to submit receipts from the previous year. ■ If you have a Dependent Care FSA, check the deadlines for unused funds as well.	☐	☐
Did you meet your health insurance plan's annual deductible? If so, consider incurring any additional medical expenses before the end of the year, after which point your annual deductible will reset.	☐	☐

ESTATE PLANNING ISSUES	YES	NO
Have there been any changes to your family, heirs, or have you bought/sold any assets this year? If so, consider reviewing your estate plan. See "What Issues Should I Consider When Reviewing My Estate Planning Documents?" checklist for details.	☐	☐
Are there any gifts that still need to be made this year? If so, gifts up to the annual exclusion amount of $17,000 (per year, per donee) are gift tax-free.	☐	☐

OTHER ISSUES	YES	NO
Do you have children in high school or younger who plan to attend college? If so, consider financial aid planning strategies, such as reducing income in specific years to increase financial aid packages.	☐	☐
Will new laws go into effect next year that may impact your overall financial plan?	☐	☐

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