

END OF YEAR PLANNING GUIDE

With our Trusted Partners - Pantana and Sarah White



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CLIENT NAME:

YEAR-END PLANNING CHECKLIST

As the end of the year approaches, consider the following items that may impact your financial, tax planning, and estate planning goals.

Estate and Disability Planning

- Review estate planning documents (will, trust, power of attorney, health care directive) to ensure decisions are compatible with your wishes
- Check beneficiary designations on financial accounts and life insurance policies*
- Prepare/review list of instructions, assets, liabilities, contact info, etc. for loved ones in the event of death or disability
- Perform insurance review for life insurance and long-term care insurance needs*
- Talk to your advisor about whether your estate is taxable under current estate tax laws*
- Consider charitable giving and funding 529 plans. Contributions to the GA plan can be tax deductible*
- Talk to your loved ones about their roles in the event of your death or disability
- Want to give an early inheritance? You can give up to \$16,000 per person without needing to file a gift tax return

Retirement planning

- If you are not maxing out your 401k, consider increasing your regular contribution by 1% (of your income) until you reach the limit
- If possible, max out your IRA (subject to MAGI limits) Back-Door Roth contributions*
- If you are planning to max out your 401K and/or IRAs, ensure you are keeping up with the increasing IRS limits
- Evaluate merit of Roth conversions*
- If applicable, ensure you have taken the Required Minimum Distributions (RMDs) on personal and inherited retirement accounts to avoid a 50% penalty*
- Fund Roth accounts for children with earned income*
- Review benefit elections for Social Security and Medicare
- If retired, review distributions strategy and cash savings*

Investment planning

- Understand the tax implications of mutual fund capital gains distributions*
- Schedule a meeting with your advisor to discuss your accounts and goals for 2023 and discuss a distribution strategy if applicable and your risk tolerance*
- Consider rebalancing your portfolios*
- Ensure concentrated stock positions are worth the risk
- Review any capital gains, losses, and losses carried forward from prior years
- Ensure your investments are performing enough to reach and/or maintain your goals*

Tax planning

- Ensure you are taking full advantage of your employee benefits - FSA, HSA, and Retirement plan match*
- Maximize tax benefits of end of year giving, consider opening a Donor Advised Fund*
- Gather your charitable donations receipts - you MUST have a receipt in your possession to make it a viable donation if contribution is over \$250
- Review your Virtual Currency - know what you have and what you have done, the IRS is watching
- Do you have Marketplace health insurance? You must have a 1095-A to file your return. You'll need to manage your AGI as best as possible to maximize the tax credit. Ask your financial or tax advisor if there are any opportunities that you can act on.
- Small business owners - make sure you don't fall under Hobby Loss rules.
- Pass through entity business owners SALT work around tax elections. SALT work around helps business owners make all of their state income tax from business activities tax deductible.
- Pass through business owners can apply for GA HEART for 2023. This is another great opportunity to redirect your state taxes and reduce your federal taxes.

*Goodwin Investment Advisory typically handles these items for its private wealth management clients.

Disclosure - The checklist herein is general in nature and is provided for information purposes only. There is no guarantee as to the accuracy or completeness. Any tax statements contained herein are not intended or written to be used, and cannot be relied upon or used for the purpose of avoiding penalties imposed by the Internal Revenue Service or state and local tax authorities. Individuals should consult their own legal and tax counsel as to matters discussed herein and before entering into any estate planning, trust, investment, retirement, or insurance arrangement.