



Year-End Planning Checklist

The end of the year is the perfect time to review financial plans with your financial professional. This year, many wealth planning strategies are on the chopping block and high-income earning individuals could see their tax rates increase in 2022. Therefore, potential changes should be considered when making decisions. As the end of the year approaches consider discussing the following with your financial professionals:

INCOME TAX PLANNING	
	Manage income tax brackets
	Ensure appropriate income tax withholding
	Explore ways to accelerate income if you're a high income taxpayer (especially pass-through business owners)
	Assess selling investments with significant built-in gains from taxable investment accounts (especially if you're a top bracket taxpayer)
	Evaluate harvesting losses from taxable investment accounts
	Consider the COVID related \$300/600 above the line charitable deduction
	Assess funding of various forms of retirement accounts including after-tax contributions
	Weigh Roth conversions, back-door Roth and mega back-door Roth conversions
	Remember to take required retirement account distributions (RMDs)
	Consider qualified charitable IRA contributions if over 70 ½

LEGACY PLANNING	
	Review beneficiary designations
	Update financial & healthcare POA/directives
	Assess making annual exclusion (\$15,000) gifts
	Weigh making large gifts before end of the year if net worth significantly exceeds the exemption amount (\$11.7M)
	Contemplate completing transfers of discounted minority business interests prior to year end
	Explore options for making contributions to existing irrevocable grantor trusts prior to the end of the year
	Assess strategies for the payment of ongoing premiums for irrevocable life insurance trusts
	Complete execution of GRATs, Sale to IDGTs, or SLATs strategies prior to end of the year
	Evaluate options for payment of extended care costs

Final Word

Not all of the above items may be appropriate for you. Still, if you are able to use a few of them you may benefit from more personalized services from your financial professional.

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