Year-End Client Checklist

Focusing on strategic year-end financial planning can have lasting benefits for both you and your family. In that aim, we created a checklist to help guide you in identifying opportunities worth exploring and close out the calendar year on a high note.

Four Focus Areas for Year-End Considerations

1) **Investment & Portfolio Analysis**: Is your investment strategy aligned with your objectives, risk comfort, & tax efficiency?
2) **Tax Preparation**: Are you well-prepared for upcoming tax deadlines?
3) **Estate Planning**: Is your financial legacy safeguarded by a well-structured estate plan, will, trust, and/or beneficiary designations?
4) **Gifting Strategies**: Have you considered elements of legacy planning, such as engaging in family gifting or making favorite charitable contributions?

Investment & Portfolio Analysis

- [ ] **Portfolio Review**: Conduct a comprehensive review of investment portfolios to assess performance, risk comfort, and alignment with financial gals while exploring potential rebalancing or reallocation needs.
- [ ] **Tax-Efficient Investing**: Consider tax-efficient strategies such as tax-loss harvesting to offset gains with losses & minimize tax liabilities.
- [ ] **Required Minimum Distribution (RMD) Execution**: Calculate RMD amounts to avoid IRS penalties.
- [ ] **Income Planning**: Assist in projecting income needs for the upcoming year & recommend appropriate withdrawal strategies for retirement accounts.
- [ ] **Asset Location**: Optimize asset location by placing tax-efficient investments (municipal bonds) in taxable accounts & placing tax-inefficient assets (corporate bonds, REITs, other taxable income producing assets) in tax-advantaged accounts.

Tax Preparation

- ☐ **Tax Bracket Analysis**: Analyze current tax brackets, explore ways to minimize tax liabilities, and evaluate opportunities for income-splitting among family members.
- ☐ **Tax Management Strategies**: Implement strategies to either incur or defer income, & adjust deductible expenses as needed.
- ☐ **Anticipating Tax Changes**: Consider potential changes in tax rates & how this will impact income for the upcoming year.
- ☐ **Capital Gains & Losses**: Review realized & unrealized capital gains & losses for the year to uncover potential tax-loss harvesting opportunities.
- ☐ **Tax Preparer Collaboration**: Work closely with skilled tax preparers to align charitable contributions with income tax objectives.

Estate Planning

- ☐ **Estate Plan Review**: Analyze your existing estate plans, including wills, trusts, & beneficiary designations to ensure that documents align with current wishes & financial circumstances.
- ☐ **Documenting Intentions**: Identify & articulate intentions, including the selection of executor, trustee, agent, & beneficiary while securing documentation storage & access protocols.
- ☐ **Legacy Planning**: Explore strategies for transferring wealth efficiently to future generations, such as establishing dynasty trusts or utilizing Generation-Skipping Transfer (GST) tax exemptions.
- ☐ **Healthcare & Long-Term Care**: Review & update healthcare directives, powers of attorney, & end-of-life documents.
- ☐ **Life Insurance Assessment**: Evaluate necessity & suitability of life insurance policies, weighing factors like inheritance protection, liquidity creation, income tax advantages, & support for buy-sell agreements.

Gifting Strategies

- ☐ **Charitable Contributions**: Review how deductibility varies based on income, the nature of assets donated, & amount contributed. Examine charitable giving goals & explore tax-efficient methods, such as donor-advised funds or appreciated securities donations.
- ☐ **Available Tax Benefits**: Explore approaches to leverage the 2023 lifetime gift tax exemption to potentially optimize income tax implications & facilitate multigenerational financial planning.
- ☐ **Investing in Education**: Consider 529 accts & the potential tax-advantaged growth they provide for qualified academic expenses. You can “superfund” a 529 by transferring up to 5-years’ worth of annual gifting ($85,000/$170,000).
- ☐ **Qualified Charitable Distributions**: Up to $100,000 per year still available (although not deductible).

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