



2017 YEAR-END PLANNING CHECKLIST

We recommend that our clients review their financial goals and circumstances at least once per year. With year-end fast approaching, now is a good time to take stock of your personal financial circumstances, consider some strategies that may be available to your family, and double check that plans you've put in place to protect and preserve your wealth are still appropriate. Take a moment to review our year-end planning checklist and take action where appropriate.

As always, we encourage our clients to contact us with any questions about how these considerations apply to them.

Overview

- Take some time to review your assets, liabilities, and your personal net worth. Are you on track to achieve your goals? Do you have concerns? Are you still clear on what your goals are? Have there been major life changes that may impact your financial plans?

Investments

- Review your investment accounts to make sure your overall asset allocation is still appropriate for your goals.
- Consider streamlining and simplifying your investment strategy by consolidating like accounts.
- If you have 401(k) plans from former employers, discuss with your advisors the pros and cons of rolling this into an IRA.
- Are you utilizing your tax advantaged accounts for the ordinary income portion of your overall portfolio (i.e. fixed income in your IRA, equity in your taxable accounts)?
- Review your cash holdings and determine whether to increase cash (emergency fund) or whether to invest excess cash.

Retirement Accounts

- Maximize your contributions to retirement plans such as 401(k)s and IRAs.
- Take or donate to charity (up to \$100,000) your Required Minimum Distribution if over 70 ½.
- Review your beneficiary designations on all accounts and make any necessary changes.

Protection

- Review your insurance policies, premiums, and adequacy of coverage.
- Obtain and review your free annual credit report. Visit www.annualcreditreport.com or call (877) 322-8228.
- Review your Medicare Part D choices if you are on Medicare.

Year-End Tax Planning

- Schedule a year-end meeting with your CPA to review your estimated tax liability and possible strategies for reducing or deferring taxes.
- Consider deferring or accelerating income and deductions such as year-end bonuses and charitable contributions.
- Determine whether the 0%, 15%, or 20% capital gains tax rate applies to you and whether you should harvest gains or losses in your investment portfolio(s).
- Review stock options that may be expiring this year.
- Consider a full or partial Roth IRA conversion.
- Plan for cash flow needed for estimated tax payments and liability that may be due in April of next year.
- Consider funding a Flexible Spending Account (FSA) or Health Savings Account (HSA) and review the plan rules regarding any remaining balance in an existing account. If necessary plan ahead to spend any unused amounts before year-end.
- Review your withholdings and make changes if you've had major life changes (divorce, marriage, birth of a child, etc.).

Family & Charitable Planning

- Review your charitable goal for the year and develop a plan to complete remaining donations by year-end. Speak with your advisors about whether to gift cash or appreciated stock, and other strategies for achieving your charitable goal in the most tax efficient way.

- Develop a plan to complete family gift-planning for the year, and if you have young children, consider education savings vehicles like 529 plans.
- Review your estate planning documents and consider having the documents reviewed / updated if they are 3-5 years old or if you have major changes.

Did You Reach a Milestone?

- Age 50** – You are eligible to make catch-up contributions to retirement plans
- Age 55** – If retired, you can take 401(k) distributions without penalty
- Age 59 ½** - Retired or not, you can take IRA distributions without penalty
- Age 62-70** – You'll be eligible for (and need to make decisions about) Social Security
- Age 65** – You are eligible for Medicare
- Age 70 ½** - You must begin taking Retired Minimum Distributions (RMDs) from IRAs

We are here to help. Please contact us to discuss your personal financial needs.

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