



STIFEL | Reimer Wealth Management Group

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YEAR-END CHECKLIST

As year-end approaches, it's important to review your financial plan and consider implementing strategies before the end of the year that could potentially benefit you during tax season and beyond:

☐ Tax-Loss Harvesting

Tax-loss harvesting may lower your tax bill. You accomplish this by selling assets, such as a stock, that have decreased in value, then using those capital losses to offset taxable capital gains from the sale of appreciated assets. You can use any remaining capital losses to offset up to \$3,000 of ordinary income, with the remainder carried forward to future years.

☐ Consider Rebalancing Your Portfolio

Rebalancing is a process of reducing positions that have grown beyond your stated asset mix and increasing positions under the mix. Keep in mind, rebalancing may have tax consequences, which you should discuss with your tax advisor.

☐ Increase Your Retirement Contributions

Consider bumping up your payroll deduction contributions for the year and max them out if possible. It could reduce your taxable income and boost your retirement savings. And don't forget to fund your traditional or Roth IRA.

☐ Make Your Charitable Gifts Now

If you have highly appreciated securities, you might consider donating them directly to charity. In doing so, you avoid the capital gains tax and may get a tax deduction. Individuals over age 70 ½ can make a distribution up to \$100,000 directly from an IRA account to a qualified charity annually.

Stifel does not provide legal or tax advice. You should consult with your legal and tax advisors regarding your particular situation.

☐ Update Wills/Trusts

Review the provisions of your will to ensure that the distributions you have outlined in the document(s) reflect your current goals (and update as necessary). In many states, establishing and properly funding a revocable trust is essential for probate avoidance. Probate in many states is a time-consuming, frustrating, and expensive process. Additionally, we can help make sure the assets in your estate are correctly titled according to your wishes (i.e., in the name of your revocable trust, children's trust, joint ownership, community property, legal entity, etc.)

☐ Related Estate Planning Documents

Review your healthcare directives and power of attorney documents. Determine if your intended agent is properly nominated or if revisions are needed to reflect your current choices regarding your healthcare wishes or general power of attorney. It is good practice to provide a copy of your healthcare directive to your primary care physician's office. Lastly, review any guardianship documents you may have executed for your children to ensure that the named guardians and provisions are still in line with your current wishes.

☐ Beneficiary Designations

Review beneficiary designations on your IRAs and retirement plans to ensure that you have listed the intended beneficiary and successor beneficiaries.

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*Please share our newsletter
with family, friends, and colleagues.*

Want to Create More Tax Diversification in Retirement?

Say hello to the Mega-Backdoor Roth. If you reach 401(k) salary deferral contribution limits for 2023, consider the mega-backdoor Roth if your plan allows. The mega-backdoor Roth enables you to contribute after-tax funds above the \$22,500 (2023) salary deferral limit up to \$66,000 and, if the plan allows, convert those after-tax funds to a Roth 401(k) or Roth IRA. For high earners, your company may offer non-qualified deferred compensation plans in addition to a 401(k), which is a great way for you to continue to maximize retirement assets in a tax-deferred manner. Tax-deferred investing is not the only way to save for retirement, as brokerage or trust accounts may also be funded with retirement planning in mind. And, don't count out qualified or non-qualified annuities, as these investment vehicles may offer a steady stream of income during retirement years.

Sitting down with your financial team (Stifel Financial Advisor, tax advisor, and other planning professionals) is a great way to talk about your financial and retirement goals and to create a savings plan to pursue those goals.

Hypothetical Example (See Diagram)

401(k) Employee Contributions:

- \$22,500 pre-tax salary deferrals
- \$42,500 after-tax contributions

401(k) Employer Contribution:

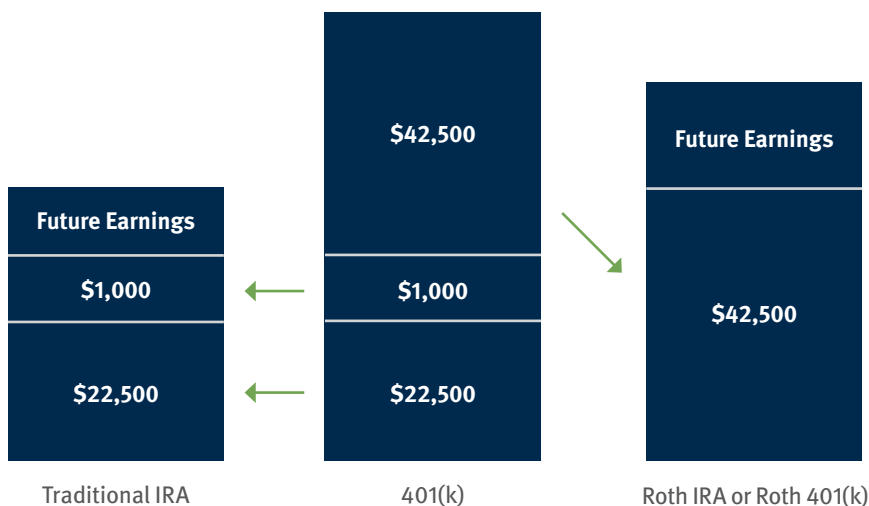
- \$1,000 match

Total between all employee and employer contributions cannot exceed \$66,000 (\$73,500 if age 50 or older) for 2023.

Roll after-tax contributions of \$42,500 to a Roth IRA or convert to a Roth 401(k); future Roth earnings will be tax-free after five years and age 59½.

Upon a triggering event like separation from service, roll pre-tax salary deferrals and employer contributions to a traditional IRA.

Contact us today to review your qualified plan funding options. It is always recommended that you seek the aid of a competent tax advisor or accountant to assist with tax advice and guidance.



Are You Getting the Best CD Rates?

Stifel offers CDs from all over the country – all issued by FDIC-insured institutions. Call Reimer Wealth Management Group at (949) 252-4770 for current rates and availability.

\$1,000 minimum – interest payouts are mandatory, and interest cannot remain on deposit. The price you receive on a sale prior to maturity depends on prevailing interest rates and may be more or less than you paid.

Schedule Your Portfolio Review

As circumstances sometimes change over time, it is important to make certain your wealth plan remains on course. Staying abreast of new investing opportunities and advisory programs, may be a smart way to take advantage of current market conditions.

Whether you acquired the investment through us or other firms, we invite you for a portfolio review, which can be very informative and beneficial. We can do these reviews via Zoom, in person, or through a simple phone call to begin the process. Please call our office at (949) 252-4770 to schedule a personal portfolio review.

