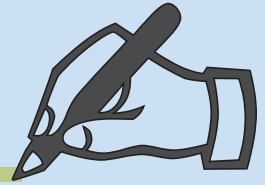


# 2022 YEAR-END FINANCIAL CHECKLIST



Since we are close to flipping the calendar to 2023, this is a great time to sit down and reflect on the past financial year and anticipate what might be ahead. Here are a few actions to consider taking before year-end:



## 1 IF YOU HAVEN'T

maxed out your RETIREMENT PLAN CONTRIBUTIONS for 2022, you may want to use your year-end bonuses to do so. The maximum 401(k) contribution for 2022 is \$20,500. If you are over the age of 50, you can contribute up to \$27,000.

## 2 CONSIDER INCREASING

next year's SALARY DEFERRAL to your retirement plan by one percent or more. If you are anticipating a raise next year, it's a great way to save a portion of it before you spend that extra cash.

## 3 AS A REMINDER,

review your accounts to ensure you've satisfied your RMD. If you haven't, consider giving all or a portion of it to a charitable cause utilizing a QUALIFIED CHARITABLE DISTRIBUTION (QCD) allowing you a tax benefit for giving, even if you take the standard deduction.

## 4 REVIEW

your TAX SITUATION with your advisor and CPA. While we invest for growth in the long-term, short-term market downturns and volatility can present great tax savings opportunities such as TAX-LOSS HARVESTING or ROTH CONVERSIONS. If you do have built up realized gains, you may have the opportunity to REALIZE LONG-TERM CAPITAL GAINS at a low tax rate.



## **5 IF YOU HAVE A CHILD**

nearing college age, consider putting more into a 529 PLAN. Many states offer a state income tax deduction for contributions. For example, in the state of Iowa, contributions up to \$3,522 per beneficiary by an individual (up to \$7,044 per beneficiary by married taxpayers filing jointly) are deductible when computing your taxable income for the state of Iowa.

## **6 WITH STANDARD DEDUCTIONS**

now at \$25,900 for married couples filing jointly (\$12,950 for single), you may want to consider the following:

- Consider combining charitable gifts for a few years into a single year. By doing this, you could receive a higher itemized deduction this year and then utilize the standard deduction next year.
- Be aware that, if you use the standard deduction, you won't be able to deduct mortgage interest, which can be yet another benefit to eliminating debt.





## 7 TAKE TIME

to think about the year ahead before electing your BENEFITS for the next year.

- If you have a high deductible healthcare plan, consider maximizing a Health Savings Account (HSA). The 2022 contribution limit for an individual is \$3,650 and \$7,300 for a family. HSA holders 55 and older get to save an extra \$1,000.
- Have you met your out-of-pocket maximum in the current year? If you have, consider any medical care you've been putting off before the end of the year.
- Are you aware of any certainties when it comes to your health care in 2023? If you know you are having a baby, a surgery, or some other medical procedure in 2023, have the provider give you an estimate of cost so that you can evaluate your health plan options.



## 8 IF YOU ARE A RECIPIENT

of STOCK OPTIONS OR RESTRICTED STOCK, review the number of units vested to you in 2022 and will be vested to you in 2023. Make sure that your tax preparer is aware of those so that you can plan for them in advance. There may be opportunities to offset that extra income with increased retirement plan contributions or deferred compensation contributions.

## 9 SET A FUN GOAL

Saving money is great, but plan to have a little fun along the way. Reward yourself for hitting some increased savings goals.



Your Financial Life, Truly Cared For®