

## ANNUAL PLANNING CHECKLIST

### Use It or Lose It by 12/31

#### INCOME TAX PLANNING

- Review investment portfolio for tax loss harvesting opportunities and consider accelerating or decelerating capital gain recognition based on current YTD activity and 2024 income/earning projection
- Revisit estimated tax payments for safe harbor purposes and consider accelerating Q4 state-estimated tax payment for deductibility
- Maximize retirement plan contributions
- Review YTD charitable contributions and evaluate income tax benefits associated with additional charitable giving
- For donor-advised funds and foundations, review grant and distribution requirements
- For U.S. residents residing outside the U.S., consider accelerating the payment of tax in another jurisdiction so that the payment matches the U.S. tax year and allows the smooth utilization of credits

#### TRANSFER TAX PLANNING

- Review use of annual exclusion gifts (for Crummey trusts, insurance trusts, 529 Plan funding, etc.)
- Determine if there is an opportunity to assist children and/or grandchildren to make IRA contributions
- Review use of lifetime gift and estate tax exemption

### Low-Hanging Fruit for 2024

#### INCOME TAX PLANNING

- Review all income tax strategies in advance of any change in residency (for both domestic and cross-border changes)
- Consider Roth IRA conversion(s) if the ultimate beneficiary is intended to be your heirs
- Consider use of long-term appreciated securities for charitable gifting
- For IRA owners over 70½, consider the use of IRAs for direct gifts to charity (QCDs can fulfill annual distribution requirements)

#### ESTATE AND TRANSFER TAX PLANNING

- Create/update family balance sheet and explore lifetime gift and generation-skipping transfer tax planning strategies (**Note: the elevated federal estate and gift tax exemptions and generation-skipping transfer tax exemption is scheduled to reduce by half on 12/31/2025. Successful strategies can take 1–2 years to implement.**)
- Review the use of gift exclusion for payments of tuition and medical expenses
- Review use of non-U.S. citizen spouse exemption (if appropriate)
- Review intrafamily loans, payments, interest rates and maturity dates
- Review opportunities for 529 plan rollovers into Roth IRAs

#### CORPORATE GOVERNANCE

- Review private business ownership in light of new FinCEN reporting requirements
- Secure Financial Crimes Enforcement Network (FinCEN) Identifier for reporting purposes
- Dissolve unused corporate entities

### Annual Best Practice and Ongoing Considerations

#### FINANCIAL WELLNESS

- Review cash deposit accounts to confirm Federal Deposit Insurance Corporation (FDIC) coverage
- Review and compare interest rates for existing depository accounts
- Review your financial plan to assess the path to success for lifetime goals
- Revisit asset allocation to achieve a long-term balance of liquidity and tax efficiency
- Review your portfolio for alignment with any sustainability or impact goals
- Review life, property and casualty insurance—including umbrella policies—as part of a review of your asset protection plan to cover personal liabilities that can arise from property ownership, creditors (including divorcing spouses) and positions on Corporate Boards
- Review existing loans to identify opportunities to improve structure
- For employees working for businesses outside the U.S., consider impact of foreign tax laws on earned income and the granting/exercise of stock options

#### ESTATE PLANNING WELLNESS

- Complete a comprehensive review of estate-planning documents to ensure the fiduciaries and dispositive provisions align with your goals
- Review health care proxies, living wills and powers of attorney
- Review beneficiaries of retirement plans and life insurance policies
- Evaluate options for advanced planning vehicles
- Consider foreign tax implications and liabilities
- For families with non-U.S. connections, consider the impact of foreign tax laws on transfers of assets in estate planning

#### PHILANTHROPIC WELLNESS AND LEGACY PLANNING

- Consider various structures—donor-advised funds, private foundations, lead and remainder trusts, etc.—for achieving philanthropic goals
- Review any family mission statements or other statements that describe family culture, values and communication