Brown ADVISORY
Thoughtful Investing.

2026

ANNUAL PLANNING CHECKLIST

Year-end planning is most effective when tax, investment, estate, insurance, business and family decisions are considered together. The One Big Beautiful Bill Act made many provisions of the 2017 Tax Cuts and Jobs Act permanent and introduced several changes that matter in 2026, including new charitable deduction rules, a higher federal estate and gift tax exemption, retirement and health savings account changes, and revised business expensing and QSBS rules. This high-level checklist highlights common matters to address before year-end and ongoing practices to revisit annually. Not every item applies to every client; implementation should be coordinated with legal, tax, accounting and other advisors. These points are always supplemented by the distinct and specific challenges and opportunities for each of our clients. We look forward to discussing these matters with you, as well as any other topics you deem important, in the weeks and months ahead.

YEAR-END SENSITIVE MATTERS	
INCOME TAX PLANNING	
☐	Update the 2026 tax projection for compensation, K-1s, portfolio income, large transactions, charitable gifts, NIIT, AMT and carryforwards.
☐	For existing Qualified Opportunity Fund investments, plan for the mandatory 2026 deferred-gain inclusion, estimated taxes and liquidity needs.
☐	Review portfolios for tax-loss harvesting, gain acceleration or deferral, wash sales and expected year-end fund distributions.
☐	Revisit federal and state estimated taxes and withholding; model any fourth-quarter state tax payment before assuming deductibility.
☐	Maximize retirement plan, IRA and HSA contributions where eligible; coordinate pre-tax, Roth and catch-up elections.
☐	Complete required minimum distributions and review inherited retirement accounts for annual and 10-year deadlines.
☐	For IRA owners age 70½ or older, consider qualified charitable distributions and coordinate them with RMDs and charitable plans.
☐	Review charitable giving, including appreciated securities and complex assets, early enough to address valuation and substantiation.
☐	Consider Roth conversions if current tax brackets, cash flow, Medicare surcharges, state tax and estate objectives support the strategy.
☐	Review irrevocable trust income tax status, distributions, estimated taxes, state taxation, basis and year-end trustee actions.
☐	Reconcile tax basis, holding periods, digital assets, private investments, expected K-1s and loss carryforwards.
ESTATE AND TRANSFER TAX PLANNING	
☐	Review annual exclusion gifts, Crummey notices, insurance trust funding and 529 plan contributions.
☐	Review lifetime gift, estate and GST exemption planning; balance transfer-tax savings against basis, state tax, liquidity and control.

☐	Evaluate gifts of growth assets and QSBS opportunities; obtain valuations and preserve transfer records where relevant.
☐	Use tuition and medical expense exclusions where appropriate by paying providers directly.
☐	Review 529 plan rollovers to Roth IRAs for eligible accounts and coordinate with broader education and savings plans.
☐	Review GST allocations, inclusion ratios, gift tax returns, appraisals and adequate disclosure records.
☐	Review intra-family loans, notes and installment sales for interest, payment history, maturity, refinancing and documentation.
☐	Review life insurance trusts, policy performance, premium funding and whether any gift-tax, estate-tax or portability filings are needed.
CROSS-BORDER PLANNING CONSIDERATIONS	
☐	Review the tax and legal impact of moves, remote work, extended stays, property purchases and trust or entity changes.
☐	Inventory foreign accounts, entities, trusts, pensions, insurance contracts, gifts, inheritances and digital assets for reporting purposes.
☐	Assess FBAR, FATCA and foreign entity or trust filings with U.S. and foreign advisors.
☐	Coordinate foreign tax payments, withholding, credits, currency translation and U.S. estimated taxes.
☐	Review cross-border employment, payroll, equity compensation, nexus and treaty issues.
☐	For families with non-U.S. connections, address spouses and heirs, asset situs, QDOTs, forced-heirship rules and cross-border trust administration.

ANNUAL BEST PRACTICES AND ONGOING CONSIDERATIONS	
ASSET PROTECTION AND INSURANCE	
☐	Review life, property, casualty, umbrella, flood, specialty and high-value asset coverage; confirm limits, titling, deductibles and exclusions.
☐	Review D&O, fiduciary, employment-practices, errors and omissions and cyber coverage for board, business and nonprofit roles.
☐	Maintain entity formalities, separate accounts, contracts and insurance; identify personal guarantees and cross-collateralization.
☐	Review life, disability, long-term-care, key-person and household employment coverage where applicable.
CYBERSECURITY, PRIVACY AND DIGITAL ASSETS	
☐	Use passkeys or multi-factor authentication, a password manager and secure recovery methods for key accounts.
☐	Use call-back procedures for wires, account changes and urgent payment requests; educate family, staff and advisors.
☐	Inventory digital assets, devices, domains, cloud accounts and authentication keys without exposing credentials.
☐	Include cybersecurity, privacy and digital-asset practices in family governance conversations and meeting agendas to build alignment and reinforce their importance.

EMPLOYMENT AND EQUITY COMPENSATION	
☐	Review options, restricted stock, performance awards, employee stock purchase plans and carried interests for vesting, exercise, withholding and liquidity.
☐	Track time-sensitive tax elections, deferred compensation elections, trading windows, trading plans and insider restrictions.
☐	Model concentrated company stock, diversification, charitable gifting, hedging limits and estate planning restrictions.
FINANCIAL WELLNESS	
☐	Review deposit coverage and cash yields across banks, money market funds, Treasury securities and short-duration holdings.
☐	Update the financial plan for market declines, inflation, longevity, health costs, concentrated positions and major family or business changes.
☐	Revisit asset allocation, asset location, rebalancing, tax efficiency, private investment pacing and expected capital calls.
☐	Review loans, lines of credit, covenants, personal guarantees, liquidity needs and forced-sale risk.
☐	Review advisory, custody, fund and product fees and coordinate Social Security, Medicare, pension and retirement income decisions.
ESTATE PLANNING WELLNESS	
☐	Update the family balance sheet with owner, title, basis, beneficiaries, valuations, debt, insurance and document location.
☐	Review estate documents, fiduciaries, dispositive provisions, tangible property, powers, digital assets and trust or entity funding.
☐	Review health care proxies, living wills, powers of attorney, HIPAA authorizations and agent readiness.
☐	Review retirement, life insurance, transfer-on-death and payable-on-death designations for consistency with the estate plan.
☐	Plan for births, deaths, marriages, divorces, moves, capacity changes, caregiving, special needs planning, estate liquidity and tax apportionment.
BUSINESS PLANNING	
☐	Update succession and exit plans, ownership records, buy-sell agreements, valuations, key-person coverage and required approvals.
☐	Review QSBS eligibility, issuer records, holding periods and transfer or sale documentation.
☐	Review business income deductions, charitable gift limits, depreciation, expensing, research costs and interest rules with the tax advisor.
☐	Update payroll and information reporting for tip, overtime, retirement, deferred compensation and equity incentive plan changes.
☐	Review pass-through entity tax elections, state apportionment, entity good standing, annual reports, licenses and BOI reporting.
PHILANTHROPIC WELLNESS, IMPACT AND LEGACY PLANNING	
☐	Review sustainability or impact objectives only where they are part of the family's stated investment policy.

☐	Compare donor-advised funds, private foundations, charitable trusts and direct gifts for tax efficiency, control, privacy and family engagement.
☐	Start complex gifts early enough for recipient review, due diligence, valuation and substantiation.
☐	Review grantmaking, foundation governance, donor-advised fund succession, family mission statements, shared assets and pledge documentation.
IMPLEMENTATION, RECORDS AND ADVISOR COORDINATION	
☐	Convert selected items into an action plan with a responsible party, deadline, required documents, dependencies and tax or legal sign-off.
☐	Coordinate investment, tax, estate, insurance, business and philanthropic advisors so assumptions, valuations, beneficiaries, entity ownership and cash needs are consistent.
☐	Update the secure document vault and emergency contact list with current tax returns, estate documents, entity records, insurance schedules, appraisals, loan documents, account lists and key advisor contacts.
☐	Record decisions deferred or deemed not applicable, together with the reason and next review date.

This checklist is intentionally broad and not exhaustive. Dollar limits, deadlines and legal requirements may change; confirm them before implementation.

Disclosures:

The views expressed are those of Brown Advisory as of the date referenced and are subject to change at any time based on market or other conditions. These views are not intended to be and should not be relied upon as investment advice and are not intended to be a forecast of future events or a guarantee of future results.

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