

# Your Planning Checklist for Year-End

**BAIRD**

Private Wealth  
Management

From retirement contributions to tax loss harvesting, there are several wealth management opportunities that expire at year-end – and once the calendar turns over, the opportunities go with it. To keep your money working as hard as possible for you, fill out this checklist and share it with your Financial Advisor.

## RETIREMENT SAVINGS

- Make sure you've maximized your retirement savings for the year. Your maximum contributions for 2023 are \$22,500 for a 401(k) and \$6,500 for an IRA (\$30,000 and \$7,500 respectively if you're age 50 or older). Other plan types may have different contribution limits.
- Determine if you would benefit from converting funds held in a traditional IRA to a Roth.

## EMPLOYMENT BENEFITS

- If you have a high-deductible health insurance policy, be sure to fully fund your Health Savings Account. The 2023 maximum contribution for those with family coverage is \$7,750, about half that for single coverage (plus \$1,000 if age 55 or older).
- Flexible Savings Accounts are use-it-or-lose-it accounts, so be sure to use them up by year-end.
- Have you met your health insurance deductible for 2023? If so, explore accelerating future health expenses into this year.

## INSURANCE

- Review existing health, life, disability, long-term care, home and auto insurance coverage, and make sure your coverage amounts are appropriate for your needs.

## INVESTMENT MANAGEMENT

- Review your portfolio asset allocation, including all personal and retirement accounts. If market performance has caused your portfolio to drift from your target, explore rebalancing.
- Consider "harvesting" underperforming stocks to recognize a loss for tax purposes – but know there are strict wash sale rules around the repurchase of investments sold for a loss.

## CHARITABLE GIVING

- Be strategic with your charitable giving for the year. Strategies like bunching deductions or donating appreciated assets can provide a tax benefit.

**“While planning is a year-round process, year-end presents deadlines you don't want to miss out on. Now is the time to review where your finances stand and make adjustments to set you up for next year.”**

**Tim Steffen, CPA-PFS, CFP®, CPWA®**  
Director of Advanced Planning

## ESTATE PLANS

- Review all primary and successor beneficiary designations on retirement plans and insurance policies, especially if there has been a life event this year (such as a marriage, divorce, birth or death).
- Review your power of attorney and healthcare proxy, guardianship, executor and trustee designations to ensure they still reflect your intentions.
- Consider a gifting strategy. You can gift up to \$17,000 (\$34,000 for a married couple) in annual exclusion gifts.
- The lifetime gifting exemption, which is \$12.92 million per individual in 2023, is scheduled to fall by about half in 2026. Consider strategies to take advantage of this elevated exemption before the planning window closes.

## PERSONAL FINANCE

- Take a birds-eye look at your income and expenses from the year. Have you made progress on goals like paying down debt or building an emergency fund?
- Review your existing debt. Are you getting the best terms? Would you benefit from consolidating or refinancing?
- Shop around for the best interest rates on savings accounts. In addition to enhanced insurance protection, Baird's Cash Sweep program offers interest rates that are often significantly higher than those of traditional banks.
- Complete a credit check at least annually and consider enrolling in a credit monitoring service.

One final tip: You can also use this time to organize your finances, document all financial accounts and ensure all usernames and passwords are appropriately updated, recorded and securely stored.