

**UPDATED 2024 TAX STRATEGY REDUCTION CHECKLIST  
NOW INCLUDES THE CARES ACT PROVISIONS**

Please review the following and indicate the items to discuss with your professional advisor.

RETIREMENT SAVINGS	NOT APPLICABLE	ASK ADVISOR
Defer the maximum annual amount into qualified retirement plans (e.g. \$19,500 for 401k), including the "catch-up" amount for those age 50+ (e.g. \$6,500 for 401k).	<input type="checkbox"/>	<input type="checkbox"/>
Contribute some or all of your retirement plan deferrals to a Roth 401(k) if you expect to be in same or higher marginal tax bracket in retirement.	<input type="checkbox"/>	<input type="checkbox"/>
Contribute up to \$38,500 of non-deductible contributions to a qualified defined-contribution retirement plan per year which can later be transferred tax-free to a Roth IRA.	<input type="checkbox"/>	<input type="checkbox"/>
Convert some or all of your IRA to a Roth IRA if you expect to be in the same or higher marginal tax bracket in retirement.	<input type="checkbox"/>	<input type="checkbox"/>
Contribute up to \$6,000 (\$7,000 if age 50+) of non-deductible contributions to an IRA that can later be converted to a Roth IRA.	<input type="checkbox"/>	<input type="checkbox"/>
Establish a cash balance defined benefit plan (if you own a business or are self-employed and are age 40+) to make substantial tax-deductible contributions.	<input type="checkbox"/>	<input type="checkbox"/>
Elect 83(b) upon receipt of restricted stock to convert taxation of growth from ordinary income to capital gain income.	<input type="checkbox"/>	<input type="checkbox"/>
INVESTMENT	NOT APPLICABLE	ASK ADVISOR
Pay investment management fees attributable to a Traditional IRA using assets from within the IRA if you are age 50+, or from outside the IRA if you are younger.	<input type="checkbox"/>	<input type="checkbox"/>
Pay investment management fees attributable to a Roth IRA using assets outside of the Roth IRA to allow for greater tax-free compounding within the Roth IRA.	<input type="checkbox"/>	<input type="checkbox"/>
Utilize municipal bonds for a portion of your bond holdings if you are in a higher marginal tax bracket to reduce taxation of bond income.	<input type="checkbox"/>	<input type="checkbox"/>
Sell assets with capital losses to offset taxable capital gains and reduce the 3.8% Net Investment Income Tax (NIIT).	<input type="checkbox"/>	<input type="checkbox"/>
Sell assets with capital gains to the extent eligible for the 0% long term capital gain rate.	<input type="checkbox"/>	<input type="checkbox"/>
Replace an out-of-date or under-performing annuity contract (or life insurance policy) with another without incurring tax consequences ("1035 exchange").	<input type="checkbox"/>	<input type="checkbox"/>
Elect 83(b) upon receipt of restricted stock to convert taxation of growth from ordinary income to capital gain income.	<input type="checkbox"/>	<input type="checkbox"/>
Exchange a real estate property used in business or for investment for another property of like-kind without incurring capital gain taxes ("1031 exchange").	<input type="checkbox"/>	<input type="checkbox"/>
EDUCATION	NOT APPLICABLE	ASK ADVISOR
Save for primary and secondary education costs using a 529 savings plan for tax-free growth and potentially a state tax deduction.	<input type="checkbox"/>	<input type="checkbox"/>
Consider using a 529 savings plan (up to \$10,000) towards the 529 plan beneficiary's student loan. <sup>1</sup>	<input type="checkbox"/>	<input type="checkbox"/>
Save for secondary education tuition costs using a 529 pre-paid tuition plan for tax-free growth and potentially a state tax deduction.	<input type="checkbox"/>	<input type="checkbox"/>
Contribute up to 5x's the annual gift tax exclusion amount (single: \$15k x 5 = \$75k; married: \$30k x 5 = \$150k) to a 529 plan in one year to jump-start savings and avoid gift taxes.	<input type="checkbox"/>	<input type="checkbox"/>
Pay tuition bills for someone directly to the institution to avoid paying gift taxes (direct payments for medical care or medical insurance are also exempt).	<input type="checkbox"/>	<input type="checkbox"/>
Claim the American Opportunity Tax Credit (up to \$2,500) or the Lifetime Learning Credit (up to \$2,000) if eligible.	<input type="checkbox"/>	<input type="checkbox"/>

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RETIREMENT DISTRIBUTION	NOT APPLICABLE	ASK ADVISOR
Determine how much to withdraw from each account type per year—taxable (e.g. brokerage), tax-deferred (e.g. IRA), or tax-free (e.g. Roth IRA)—to reduce your effective tax rate.	<input type="checkbox"/>	<input type="checkbox"/>
Plan for distributions from retirement accounts that will occur prior to age 59 1/2 to avoid tax penalties.	<input type="checkbox"/>	<input type="checkbox"/>
If you are still working and don't own 5% or more of the company you work for, consider transferring IRA assets back into your company 401(k) to defer taking the required minimum distributions on those assets. .1	<input type="checkbox"/>	<input type="checkbox"/>
Distribute company stock from a qualified retirement plan using Net Unrealized Appreciation (NUA) rules to pay capital gain rates vs. ordinary income rates on stock growth.	<input type="checkbox"/>	<input type="checkbox"/>
CHARITABLE	NOT APPLICABLE	ASK ADVISOR
Donate appreciated assets to charity to eliminate the unrealized capital gain tax.	<input type="checkbox"/>	<input type="checkbox"/>
Lump charitable gifts into a single tax year to help exceed standard deduction amount and become eligible to itemize deductions.	<input type="checkbox"/>	<input type="checkbox"/>
Utilize a Donor Advised Fund (DAF) to simplify the donation of appreciated assets to charity and to provide more control on the timing of gifts.	<input type="checkbox"/>	<input type="checkbox"/>
If you take the Standard Deduction, The CARES Act allows a new above-the-line charitable deduction of up to \$300 when cash contributions are made to certain qualifying charities for 2020 and beyond.2	<input type="checkbox"/>	<input type="checkbox"/>
Make a Qualified Charitable Distribution (QCD) by donating up to \$100,000/year to charity directly from your IRA (if age 70 1/2+) to avoid taxation on the amount given.	<input type="checkbox"/>	<input type="checkbox"/>
Direct some or all of your IRA to charity at death to eliminate the income taxation of IRA assets that would otherwise be paid by heirs.	<input type="checkbox"/>	<input type="checkbox"/>
Consider charitable remainder trusts (CRT) and charitable lead trusts (CLT) to receive a tax deduction while retaining some use of the assets either for yourself or for heirs.	<input type="checkbox"/>	<input type="checkbox"/>
PERSONAL INCOME TAX	NOT APPLICABLE	ASK ADVISOR
Contribute to a Health Savings Account (HSA) up to \$3,600 for an individual or \$7,200 for a family to obtain a "triple tax advantage" (tax deduction + tax-free growth + tax-free withdrawals for qualifying expenses). Note: A catch-up contribution of \$1,000 is available if you are age 55 or older.	<input type="checkbox"/>	<input type="checkbox"/>
Contribute to a Flexible Spending Account (FSA) up to \$2,750 and/or a Dependent Care FSA up to \$10,500 (single or married filing jointly) to pay qualifying expenses with pre-tax dollars.	<input type="checkbox"/>	<input type="checkbox"/>
Withdraw up to \$5,000 from a retirement account penalty free within a year of birth or adoption for qualified expenses.1	<input type="checkbox"/>	<input type="checkbox"/>
Reconsider home equity loans that are not used to buy or improve your home as this loan interest is not deductible.	<input type="checkbox"/>	<input type="checkbox"/>
Deduct qualified health care expenses if they exceed 7.5% of your Adjusted Gross Income.1	<input type="checkbox"/>	<input type="checkbox"/>
Pay long term care premiums with tax-free dollars from a Health Savings Account if you do not qualify for the medical expense deduction.	<input type="checkbox"/>	<input type="checkbox"/>
Adjust income and deductions to reduce taxation of Social Security benefits, 3.8% Net Investment Income Tax (NIIT), 0.9% Medicare surtax, and Medicare insurance premiums.	<input type="checkbox"/>	<input type="checkbox"/>
Determine if you will likely be subject to the Alternative Minimum Tax (AMT) as this results in a much different approach to tax planning.	<input type="checkbox"/>	<input type="checkbox"/>

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ESTATE	NOT APPLICABLE	ASK ADVISOR
Implement estate tax reduction strategies if your total net worth is approaching or is in excess of \$11,700,000 (single) / \$23,400,000 (married).	<input type="checkbox"/>	<input type="checkbox"/>
Review beneficiary designations on retirement plan assets given the new law eliminating the stretch IRA provision for most non-spousal beneficiaries who inherit in 2020 and beyond. <sup>1</sup>	<input type="checkbox"/>	<input type="checkbox"/>
Review your trust documents to assure no unintended consequences given the new law eliminating the stretch IRA provision for most non-spousal beneficiaries who inherit in 2020 and beyond. <sup>1</sup>	<input type="checkbox"/>	<input type="checkbox"/>
Review your estate documents to assure no unintended consequences given the large estate tax exemption amount.	<input type="checkbox"/>	<input type="checkbox"/>
Make annual gifts to loved ones up to the annual gift tax exclusion amount (single: \$15,000 per person; married \$30,000 per person) to avoid gift taxes.	<input type="checkbox"/>	<input type="checkbox"/>
Defer large capital gains later in life to obtain a step-up in cost basis at death.	<input type="checkbox"/>	<input type="checkbox"/>
Harvest capital losses on assets later in life to assure the tax savings are not lost due to death.	<input type="checkbox"/>	<input type="checkbox"/>
Distribute all assets from an irrevocable trust, if there are no longer any estate tax or asset protection reasons for maintaining it, to avoid higher tax rate on trust income.	<input type="checkbox"/>	<input type="checkbox"/>
BUSINESS PLANNING	NOT APPLICABLE	ASK ADVISOR
If you own a pass-through business, consider the Qualified Business (QBI) deduction eligibility rules.	<input type="checkbox"/>	<input type="checkbox"/>
Consider the use of a Roth vs. traditional retirement plan and its potential impact on taxable income and Qualified Business Income.	<input type="checkbox"/>	<input type="checkbox"/>
Deduct purchase of qualifying equipment (e.g. machines for business use, computers, off-the-shelf software, etc.) up to \$1,000,000 Section 179 limit.	<input type="checkbox"/>	<input type="checkbox"/>
Employ your children to divert income to a lower tax bracket.	<input type="checkbox"/>	<input type="checkbox"/>

1 Annotates a new addition to the tax code or substantial change that was implemented with the passing of The SECURE Act on December 20, 2019.

2 Annotates a new addition to the tax code or substantial change that was implemented with the passing of The CARES Act on March 27, 2020.

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