



Blue Bell

PRIVATE WEALTH MANAGEMENT

2018 Year-End Financial Checklist



☐ Max out 401 (k) and IRA Contributions

The first tip to help lower your taxes for the year is to maximize your contributions to tax-deferred savings accounts if you haven't already. 401(k) and IRA contributions are tax deductible and can lower your taxes for 2018. The maximum 2018 contributions are \$18,500 for 401(k)s and \$5,500 for IRAs. If you are over the age of 50 the catch-up contributions are increased to \$24,500 and \$6,500 respectively. Remember that IRA contributions made before April 15th, 2019 can be applied as a 2018's contribution

☐ Don't forget to take your RMD

If you are over the age of 70 ½ you are required by the IRS to withdraw a minimum amount from your retirement accounts each year. You can use an RMD calculator or speak with your advisor to make sure you are taking the required amount. If you fail to take your RMD or withdrawal less than the required amount the IRS may impose a 50% tax on the shortfall.

☐ Harvest your losses

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☐ Consider Gifting to Charity

If you itemize your deductions the IRS allows you to deduct up to 50% of your adjusted gross income to any donations made to a qualifying charity. However, with the standard deduction doubling many people will lose the ability to itemize. If you no longer itemize but still wish to donate to charity, please contact us to hear about alternatives.

☐ Review your plan and Portfolio

It is important to review your portfolio and accounts frequently. Having a plan is important, however we believe the execution of the plan is just as important. Otherwise it can quickly become a useless packet of paper. Please reach out to us if you would like to discuss any of these areas further.

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