



## Knowledge is Power

### Question of the Month

*“Hello Brian. Over the last several weeks, you have mentioned the different deadlines coming up for the end of the year to minimize taxes, avoid penalties, and maximize retirement. Can you please summarize these moves again? Since we are now really close to the end of the year, I want to make sure I don’t miss anything. Thank you.” Keith*

Hello Keith. Yes, we have discussed this a lot over the last several weeks and talked about all the different deadlines you need to know about and understand. Failure to meet these deadlines can result in penalties, extra taxes and lost opportunity costs. Below is a summary list of some of the retirement planning moves that have year-end deadlines.

**Required Minimum Distributions** - RMDs are due for anyone that has a pre-taxed retirement account and who is age 73 or older in 2023. If you are in this situation, you must take a withdrawal from those accounts and claim that income on your tax return. If you don’t you’re your RMD or take enough, there are steep penalties.

**Roth Conversions** - Roth conversions are a tremendous tax-advantage move to make in order to be able to take advantage of the current tax code for this year and to become more tax efficient. However, unlike Roth contributions – Roth conversions have to be done by the end of the year to count for 2023.

**Tax-loss Harvesting** - This is a way to sell some investments in an after tax brokerage account that have losses, in an effort to help offset the ones that posted gains, to help minimize capital gains taxes for the year. In order to count for 2023, this must be done by the end of the year.

**Charitable Contributions** - If you want to donate money to charity and have it count for 2023, you must do it by the end of the year.

**Contributions to Employer Retirement Savings Accounts** - Contributions for 2023 to traditional IRAs and Roth IRAs are open until April 15<sup>th</sup> of next year. However, if you have a 401(k) or 403(b) or other type of employer sponsored retirement savings plan, those contributions have to be made by the end of the year.

**529 College Savings Plans** - Many parents and grandparents like to contribute to these accounts for children and grandchildren. If you want to contribute to these plans, you must do it by the end of the

year in order for it to count for 2023.

Giftng - Giftng is a popular move done by many people each year. Under the giftng rules, in order for it to count for 2023, all giftng must be done by the end of the year.

Join me this weekend on The Retirement Money Matters Show as we will discuss all of these moves in detail as well as share with you some unique and timely retirement planning opportunities that are available in 2023 that you have a little time left to take advantage of to improve your retirement plan. The show airs on Sunday morning at 8:00 a.m. on WWKI (100.5 FM), or online at [www.theretirementmoneymattersshow.com](http://www.theretirementmoneymattersshow.com). You can also obtain this information by reaching out to us at Hayes Advisory Group at 452-PLAN (7526), 800-939-1603 or [brian@hayesadvisorygroup.com](mailto:brian@hayesadvisorygroup.com).