

THE ADVANCED CONNECTION

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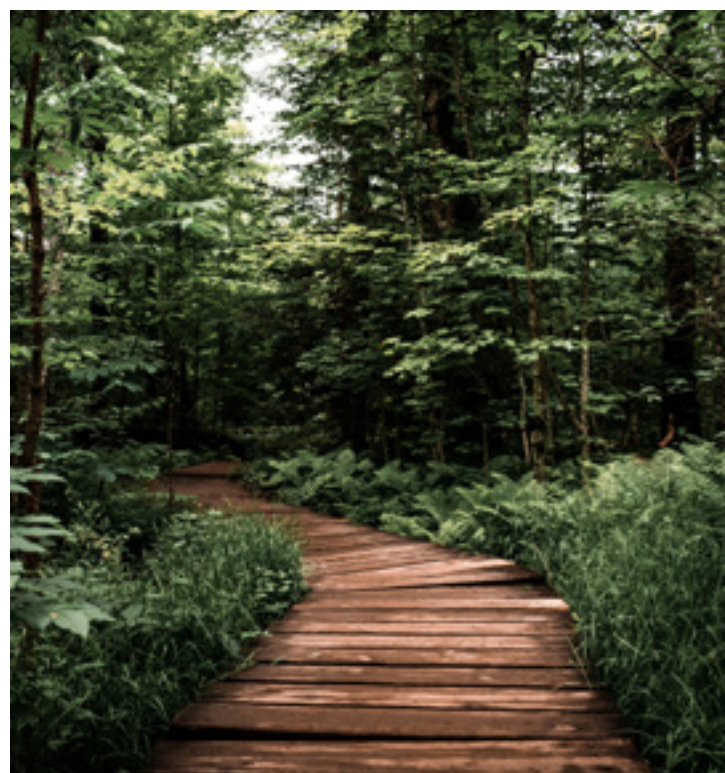
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New AWM Office & Save the Date!

As you may have seen in our previous communications, we have moved our office to a new location, just down the road from our old office. We are now located at 8625 SW Cascade Ave, Suite 602, Beaverton, OR 97008. Moving is always a big task, but we are settled in now and enjoying the views from our new space, especially with the fall foliage at its peak.

We have also been lucky to see bald eagles, herons, red-tailed hawks, and some beautiful rainbows like the one in the photo of Bob, Ted, and Traci.

If you haven't been to our new office yet, we look forward to welcoming you here soon. We will be hosting an Open House in our new space on Friday, January 12th from 11am-2pm. Please save the date, and we will send an invitation with more information in December.



Your Year-End Financial Planning Checklist for 2023

As 2023 winds down, your focus may begin turning to holiday planning, family gatherings, and delicious food. You might even entertain the idea of getting your tax documents in order. Consider going a few steps further and preparing for your next conversation with us to start 2024 with your money matters in good shape.

After all, it's been a year of changes that will likely affect your finances in one way or another. The passage of SECURE 2.0 in late December of last year changed many retirement plan rules, interest rates have continued rising, and the Supreme Court struck down the proposed student loan forgiveness program.

How can you get a clear picture of what all of this means for your financial planning? Below are a few conversation starters that might prompt new thoughts or questions for the next time we talk!

1. Can I Contribute More to Retirement Funds?

Although the state of the economy might make you hesitant about setting additional income aside, consider whether you're financially able to maximize (or increase) contributions to your workplace retirement plan. At the very least, find out whether you're contributing the minimum to take full advantage of any employer match benefit. Increasing your contributions to a traditional IRA is another option, though you should be mindful that those with higher incomes may not qualify for a tax deduction.

2. Do I Have FSA Dollars to Spend or Carry Over?

Use what you can from your flexible spending account (FSA) and check your employer's plan to see whether unused funds can be carried over to the next plan year. Although the rollover option applies to your employer's plan year rather than the calendar year, this year-end assessment is a good reminder to ensure that you're on track.

It's also a great time to discuss maximum health savings account (HSA) contributions if you have a high-deductible health plan (HDHP). This can be a complex topic, so it's a great idea to ask us if you have any questions.

3. Should I Consider Roth Conversions?

If you have some room in your current tax bracket before reaching a higher federal income tax rate, you may want to consider doing a Roth conversion. This would involve converting some of your pre-tax retirement savings, like in a traditional IRA, into a post-tax account, like a Roth IRA, so you'd never have to pay taxes on future earnings. Taxes would be paid upfront on the conversion amount, and you'd enjoy tax-free growth in the future. If this interests you, discuss this strategy with us, and we can help determine whether it's an ideal time to do a conversion.

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4. What Is Tax-Loss Harvesting?

If some investments in your non-retirement portfolio have suffered a loss, the end of the year is a common time to consider whether it makes sense to harvest losses by selling them. Doing so can offset gains you have realized in your portfolio as well as up to \$3,000 of your earned income. Tax-loss harvesting can get complex, for example, investments can be repurchased only after a certain period; selling a security for a loss and buying back within 30 days does not qualify. We proactively look to do this for all our client accounts, but if you have any questions please be in touch!

5. Do My Charitable Donations Qualify for a Tax Deduction?

Charitable contributions donated directly to a qualified charity or a donor-advised fund can help you get a federal tax deduction. Keep in mind, however, that this often provides tax benefits only if you are itemizing. It's worthwhile to discuss with your tax professional whether your charitable contributions, in addition to other deductions, will surpass your standard deduction. For those older than 70½, a qualified charitable distribution (QCD) may be a more tax-efficient option. In addition, 2023 is the first year QCD distributions (up to certain dollar limits) may be gifted to charitable remainder trusts or charitable gift annuities, which could provide you with a right to income.

6. What Should My Strategy for Stock Options Be?

If you have vested stock options included in your compensation package from your employer, now may be a good time to consider whether it would be more beneficial to sell them in January 2024 as opposed to this year. Let us review your stock option statement so we can discuss which year appears to offer the best opportunity from an income tax perspective. Your tax advisor may need to be included in this conversation.



7. Do I Need to Think About RMDs?

Some retirement accounts are subject to required minimum distributions (RMDs). This means once you near age 73, you may be required to start taking distributions from your retirement accounts, owing taxes on the way out. It's common for people to forget to take RMDs. What's more, recent legislation has made them a bit more complex, so RMDs for retirees and their beneficiaries need to be planned carefully to be sure that you're following the rules.

8. When Do I Need to Resume Repaying Student Loans, and Do I Qualify for Student Debt Relief?

As a result of the Supreme Court overturning the Biden administration's proposed student loan forgiveness program, federal student loans resumed accruing interest on September 1, 2023, with payments resuming in October 2023. Those payments are subject to a 12-month on-ramp transition period during which default will be waived for nonpayment. The Biden administration has launched a new, income-driven student loan repayment plan—the Saving on a Valuable Education (SAVE) plan. A website for that plan can be found [here](#). To get the latest information, consult this helpful [factsheet](#) and sign up for updates on the [U.S. Department of Education website](#).

9. Should I Update My Estate Plans?

It's always a good idea to review estate plans as part of year-end financial planning. As life events happen, such as marriage or the birth of a child, your estate plan should be updated with your attorney. At the end of each year, discuss with your family how life events over the past year might affect your estate planning. When you meet with us, be sure to update and review beneficiary designations, trustee appointments, power-of-attorney provisions, and health care directives. Also, the amount that may pass free of federal estate tax is scheduled to be reduced by approximately half in 2026, so you may need to plan for that.



Take Advantage of Our Knowledge

Although this year-end financial planning checklist covers a lot of ground, it's intended to serve as a springboard for future planning conversations. This checklist provides an excellent starting point to discuss issues and deadlines most relevant to you. New strategies becoming available (e.g., rollovers from a 529 plan to a Roth IRA for the 529 beneficiary, subject to certain time restrictions and requirements) may also be worth discussing. Beyond that, be sure to add anything else you want to know to this list so you don't forget to talk about it. An annual planning meeting is a great time to ask questions you need answered regarding your financial plans for the coming year.

Retirement Account Periodic Distribution Requests

If you normally have a distribution from a retirement account sent to you on the 12th of the month or later, it will be sent to you earlier in December. This is an automatic process that helps ensure that the distribution is processed before the end of the year. Going forward, your plan will continue to pay with its usual frequency and on its usual date.

Halloween

Our team celebrated Halloween together with everyone dressing up as Bob! We had lots of flannel shirts and hiking gear. Some brought playing cards in recognition of his long-time tradition of playing poker with friends from his youth. His current poker group has been playing together for 55 years! Traci brought a toy chain saw as a nod to his love of cutting, stacking, and burning firewood. Everyone had a great time honoring Bob and looked very good while doing so, but Bob won the prize for "Best Dressed Bob" and came in a tuxedo!



Year-End Processing Deadlines

As we approach the end of the year, please keep in mind the deadlines for the following requests. Reach out to us early to ensure that these items are completed before the end of the year.

DTC Requests for gifting from non-retirement accounts	December 9th
Qualified Charitable Distributions from IRAs	December 12th
Roth Conversions	December 12th
Establishing Donor Advised Fund (DAF) accounts	December 21st
Non-retirement account distributions	December 29th
Retirement account distributions with standing instructions in place	December 29th

Office Closures

Thanksgiving

Nov 23rd & 24th

Christmas

December 25th

New Years Day

January 1st

MLK, Jr Day

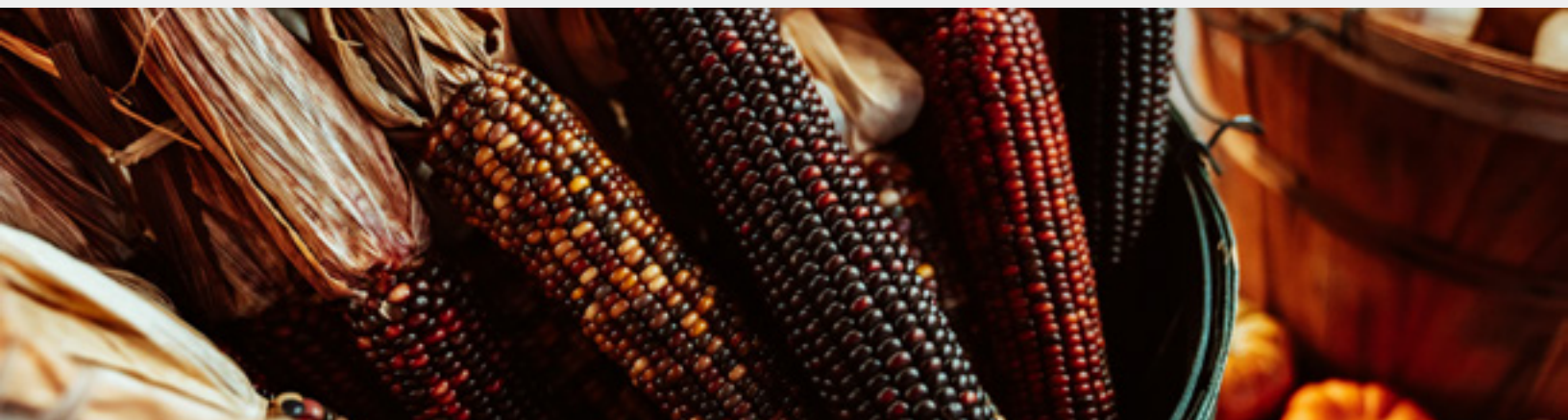
January 15th

Presidents' Day

February 19th

Memorial Day

May 27th



*Securities and advisory services offered through Commonwealth Financial Network®, member FINRA/SIPC, a Registered Investment Adviser.
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