



2022 Year-End Planning Schedule Checklist

Start 2023 in a state of financial wellness. Complete your year-end moves now and be prepared for what comes next.

OCTOBER

Meet with your First Citizens Partner to review your financial plan. Review your goals and concerns compared to last year's. If they've changed, your financial plan may need adjusting.

Investment Planning:

- Review your portfolio allocation to ensure it aligns with your goals. Rebalance if drifted off course.
- Diversify concentrated positions, especially employer stock (limit to 20% of your qualified plan if your employer matches in company stock.)
- Lock in rates for an open line of credit (Secured Equity Line or HELOC) before rates increase more to provide liquidity in an unexpected opportunity or event.
- Review contributions to your 529 education savings accounts.

Tax Planning: Discuss strategies for mitigating income tax implications and meet with your tax professional.

- Check your bonuses and manage your tax bracket.
- Which capital gains tax rate will work best for your situation? (Remember, gains and losses are determined by trade date, not settlement date.)
- Review property taxes.
- Review timing of business expenses.
- If subject to an automatic extension, file Federal Income Tax and Gift Tax returns by October 17th.
- Consider casualty and theft losses.

Retirement Planning:

- Review your beneficiary designations for retirement plans, annuity contracts, deferred compensation plans, payable on death accounts, transfer on death accounts, life insurance policies, etc. This is especially important if you've had a life event, such as marriage, divorce, a new child, grandchild, etc.
- Revisit your income needs for both now and retirement. Utilize Manage My Money through your First Citizens Digital Banking app to review your spending for the year. What were your main spending categories? Do you need another income stream or debt management?
- Compare the outcomes of taking Social Security at various ages: 62, Full Retirement Age or 70.
- Review your highest 35 years of earnings and determine if additional work years will significantly impact the size of your Social Security payment.

Medical Planning:

- Complete Open Enrollment by December 15th.
- Review your Medicare Part D choices, if applicable.
- Consider funding a Flexible Spending Account (FSA) or Health Savings Account (HSA) for next year.
- Check your Health Savings Account contributions for 2022. If you qualify, you can contribute up to \$3,650 (individually) or \$7,300 (family), and an additional \$1,000 catch-up if you are age 55 or older.

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Important Dates:

10.17.2022: Income Tax Return Extensions expire

10.15 to 12.07.2022:
Open enrollment for Medicare Part D

NOVEMBER

Create a gifting/funding plan to manage taxes.

Charitable Planning:

- Make charitable contributions. Consider a donor advised fund or qualified charitable rollover.
- Discuss your philanthropy with children and beneficiaries to pass on your values.
- Consider stacking your charitable gifts to qualify for itemizing deductions.

Estate and Wealth Transfer Planning:

- Review any Wills, Trusts, and other estate planning documents.
- Review the fiduciaries and agents you have selected to act on your behalf if you are incapacitated to ensure they are still trustworthy and relevant in your life.
- Review beneficiaries named in your insurance policies and annuities. These are not part of your Will or Trusts.
- Make annual exclusion gifts (\$16,000 per donee for 2022).
- Make gifts to life insurance trusts
 - Pay medical and education gifts directly to creditors.
 - Utilize trusts to manage income taxation.
 - Consider a large lifetime gift up to \$12.06 million for high-net-worth taxpayers to lock in the increased estate exemption amount.
- Inform your First Citizens Partner of any major life changes such as marriage, divorce, job change, retirement or serious illness. They can help clarify how these changes may impact your current and future financial picture.
- Be sure you have a trusted contact person for any long-term care policies, life insurance policies, Social Security payments, etc. in the event you are incapacitated or start to suffer a mental decline.

Education Planning:

- Time tuition to manage income and tax liability.
- Fund 529 or Coverdell accounts.
- Evaluate student loans and apprenticeships with your child(ren).

Medical Planning:

- Consider applying for Medicare after turning 65.

Important Values:

Annual Exclusion Gifts –
\$16,000 per donee in 2022.

Lifetime Gift –
Up to \$12.06 million per person.

HSA Contributions (55+) –
\$4,650 (Individual) and
\$8,300 (Family)

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DECEMBER

Finalize and execute your year-end plan.

Investment Planning:

- Consider harvesting gains/losses.
- Plan for year-end mutual fund distributions.

Tax Planning:

- Confirm any last-minute gifting and adjustments to tax rates, expenses and losses.
- Consider paying your January mortgage payment early to deduct the interest in 2022.
- Review your income tax withholding and change your allocations or withhold extra if you are not withholding enough/too much.
- Manage your marginal tax rate. If you are on the cusp of a higher tax bracket, determine if you are able to defer some income to 2023, such as through a deferred compensation plan, medical expenses, charitable donations, defer the sale of a capital gain property, etc.

Retirement Planning:

- If you turned 72 in 2022, you have until April 1, 2023 to complete Required Minimum Distributions.
- If you were at least 72 going into 2022, you have until December 31, 2022 to complete Required Minimum Distributions.
- Maximize IRA, ROTH, and/or 401(k) Contributions
 - 401(k) – \$20,500 through age 49, \$27,000 age 50+.
 - IRA – \$6,000 through age 49, \$7,000 age 50+.
- Determine if a whole or partial Roth Conversion or Backdoor Roth makes sense for you.
- Consider creating a Roth IRA for children with earned income.
- Analyze the benefits of taking employer stock from tax-deferred accounts to take advantage of preferred capital gains tax rules – Net Unrealized Appreciation Strategy.

Estate and Wealth Transfer Planning:

- Make any final funding contributions for gifts and updates to beneficiaries.
- Conduct family meetings, review mission statements.

Medical Planning:

- Finalizes FSA and HSA contributions and establish rollovers.
- Confirm Medicare Part D selections.
- File claims for remaining funds in Flexible Cafeteria or Dependent Care Plans.

Security/Risk Planning:

- Review your accounts and electronics to ensure none have been hacked or compromised.
- Store your passwords with a reputable password security firm.
- Backup all your important files, pictures and other information on your phone, tablets and computers.
- Complete the Recordkeeping Toolkit so that your family members have a complete record of your financial and medical life in order in the event they need to step in and take over your affairs. Notify your agent where it is located so they know how to access it.
- Review your Property and Casualty and Umbrella coverage to ensure they work together properly, and you are insured for the proper amounts. Ensure appropriate riders are included such as for collectibles or jewelry. Keep in mind the adjustment in value your home might have had over the last couple of years.
- Review your life insurance coverage to ensure it is performing as promised and does not warrant additional action such as conversion or upgrade.

Important Dates:

12.31.2022: Roth Conversions due

12.31.2022: Complete RMD if over 72.

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Consultant Name: _____

Phone Number: _____

Email: _____

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