

Putting Your Financial House in Order: A Foundational Year-End Planning Checklist



As the end of the year approaches, it's a good time to review your financial, tax, and estate plans to be sure they are up-to-date, in keeping with your needs, and optimized to take advantage of new opportunities.

1. Review your income tax picture

- ☐ Review your 2024 tax return and begin organizing your 2025 tax information
- ☐ Consider taking advantage of being in a lower tax bracket this year by accelerating taxable income if a higher tax bracket is anticipated next year
- ☐ Consider (a) making charitable contributions to gain a deduction on income and (b) harvesting losses, if your income is higher this year than usual
- ☐ Review with your advisors how the recently enacted One Big Beautiful Bill Act (OBBBA) may impact your situation before the end of 2025:
 - Federal income tax rates stay the same
 - State & Local Tax (SALT) deduction gets a boost
 - Expanded 529 plan possibilities
 - “No tax on tips or overtime”
 - Charitable deduction rules modified



2. Review your investment portfolio

- ☐ Consider tax-loss harvesting and realizing gains strategically
- ☐ Rebalance your portfolio back to target allocation
- ☐ Review with your advisors how the current interest rate environment could impact your portfolio's income and performance expectations

3. Maximize annual contributions/gifts

- ☐ Make your annual gifts of \$19,000 (\$38,000 for married couples) via outright gifts, gifts in trust, to 529 plans, etc.
- ☐ Consider creating and funding 529 plan education accounts for children and grandchildren and front loading the accounts with five years' worth of annual exclusion gifts
- ☐ Maximize contributions to tax-advantaged retirement accounts and Health Savings Accounts

4. Review your financial plan

- ☐ Maximize your contributions in deferred accounts (401(k), IRA, HSA, etc.) and ensure you are receiving matches, where applicable
- ☐ Compare your actual spending versus projected budget

5. Consider impact of current interest rates and potential interest rate cuts

- ☐ Review outstanding debts for refinancing opportunities to free up cash flow
- ☐ Consider establishing a line of credit for liquidity
- ☐ Talk to your advisors about implementing strategies that are maximized in the current interest rate environment

6. Assess your estate plan

- ☐ Review your foundational estate planning documents (wills, trusts, and powers of attorney) to be sure:
 - Your distribution plan remains consistent with your current wishes
 - Your fiduciary appointments and beneficiary designations are still appropriate



- ☐ Consider the impact of any life changes (marriages, divorce, births, deaths, changes in financial situation) and adjust your documents accordingly
- ☐ Ensure the ownership and titling of your assets aligns with your broader estate plan

7. Review your beneficiary designations

- ☐ Confirm that your beneficiary designations for retirement accounts, life insurance policies, and transfer-on-death accounts are up to date and align with your overall estate planning goals
- ☐ Retain tax advantages of a Health Savings Account by naming the surviving spouse as the beneficiary

8. Review your risk management plan

- ☐ Review titling of assets and any entity structures for asset protection purposes
- ☐ Review insurance coverages to confirm that amounts and types of coverage are appropriate

9. Communicate with your family about your wealth plan

- ☐ Consider creating or continuing an open dialogue about your plan details, as appropriate
- ☐ Consider beginning to educate family members on planning and financial topics

Please do not hesitate to contact your advisor for assistance with any of the items listed above.

This material is for informational purposes only and is not intended as an offer or solicitation for the sale of any financial product or service. This material is not designed or intended to provide financial, tax, legal, accounting, or other professional advice since such advice always requires consideration of individual circumstances. If professional advice is needed, the services of your professional advisor should be sought. There is no assurance that any investment, financial, or estate planning strategy will be successful.

Wilmington Trust is not authorized to and does not provide legal, accounting, or tax advice. Our advice and recommendations provided to you are illustrative only and subject to the opinions and advice of your own attorney, tax advisor, or other professional advisor.

Investing involves risks and you may incur a profit or a loss. There is no assurance that any strategy will be successful. Diversification cannot ensure a profit or guarantee against a loss.

Wilmington Trust is a registered service mark used in connection with various fiduciary and non-fiduciary services offered by certain subsidiaries of M&T Bank Corporation including, but not limited to, Manufacturers & Traders Trust Company (M&T Bank), Wilmington Trust Company (WTC) operating in Delaware only, Wilmington Trust, N.A. (WTNA), Wilmington Trust Investment Advisors, Inc. (WTIA), Wilmington Funds Management Corporation (WFMC), Wilmington Trust Asset Management, LLC (WTAM) and Wilmington Trust Investment Management, LLC (WTIM). Such services include trustee, custodial, agency, investment management, and other services. International corporate and institutional services are offered through M&T Bank Corporation's international subsidiaries. Loans, credit cards, retail and business deposits, and other business and personal banking services and products are offered by M&T Bank. Member FDIC.