

2024 Year-End Planning

[Take Our Compatibility Survey](#)

As we approach the end of the year, it's essential to finalize key action items to maximize your tax efficiency and optimize your financial plan. Review the key points below, and reach out to your wealth consultant to ensure you are well-prepared for 2025. Please note that processing times at Charles Schwab and other custodians are often delayed as year-end approaches, so we recommend completing these items as soon as possible.

Required Minimum Distributions (RMDs):

- If you are age 73 or older, take your RMD by **12/31/2024**.
- If you turned 73 in 2024, you may delay your first RMD until **4/1/2025**.
- Individuals under age 73 must take RMDs for inherited IRAs. If you inherited an IRA after 2020 and are a non-designated beneficiary, you may be subject to a 10-year distribution schedule.

Retirement Plans

- **IRA and Roth IRA contributions** for 2024 are due by **4/15/2025**. The maximum contribution is \$7,000, with a \$1,000 catch-up for those aged 50 or older. Contribution limits remain unchanged for 2025.
- **401(k), 403(b), and other employer-sponsored plans:** Contributions for 2024 must be made by **12/31/2024**. Contribution limits are \$23,000, plus a \$7,500 catch-up for those aged 50 or older. Limits increase to \$23,500 in 2025.
- **SEP IRA contributions:** The 2024 limit is \$69,000, and contributions must be completed by **10/15/2025** or when your taxes are filed. For 2025, the limit increases to \$70,000.
- **New Schwab retirement accounts:** Digital onboarding must be completed by **12/30/2024**. Paper and DocuSign applications must be received in good order by **12/20/2024**.

Roth Conversions:

- Converting pre-tax IRAs to tax-free Roth IRAs can reduce taxes in retirement. If this strategy aligns with your financial goals, consult your wealth consultant and tax advisor.
- Roth conversions must be completed by **12/31/2024**. To avoid delays, we recommend processing conversions before **12/20/2024**.

Qualified Charitable Distributions (QCDs):

- If you are over age 70½, you can make a QCD from your IRA to help satisfy your RMD. You can donate up to \$105,000 directly to a 501(c)(3) charity, and the donation will be excluded from your taxable income.
- QCD checks must be cashed by **12/31/2024** to count toward the 2024 tax year. As many organizations close during the holidays, we recommend sending checks in the first half of December to ensure timely processing.

Schwab Charitable Deadlines

- Contributions to donor-advised funds (DAFs) must be received by **12/31/2024**.
- **Wire transfers** take 2–3 business days.
- **Stock and mutual fund transfers** from accounts outside Schwab typically take 2–6 weeks.
- **Cryptocurrency donations:** Call Schwab Charitable by **12/6/2024**.
- **Checks** must be postmarked by **12/31/2024** and made payable to DAFgiving360.
- **Grant recommendations:** Processing takes 3–5 business days but may be delayed at year-end. Recommendations should be submitted by **12/3/2024** to ensure timely completion.

For more information, visit [Schwab Charitable 2024 Guidelines](#) or call **800-746-6216**.

Gifts:

- The **annual gift tax exemption** is \$18,000 per person (\$36,000 per couple). Gifts must be completed by **12/31/2024**.
- Amounts over \$18,000 per year count toward the **lifetime gift tax exemption** of \$13.61 million and must be recorded on **IRS Gift Tax Form 709**.
- This amount increases to \$19,000 per year in 2025. [\[4\]](#)

Medical:

- **Medicare Open Enrollment:** Review plan options from October 15th through December 7th.
- **Flex Savings Accounts (FSAs):** Spend down your FSA dollars as these typically do not roll over to 2025. Some employer plans will allow you to use it until March of the following year, so check with your plan.
- **Health Savings Accounts (HSAs):** If eligible, contribute a maximum of \$4,150 per individual or \$8,300 per family, with those 55 and older able to contribute an additional \$1,000. [\[5\]](#)

[1]

<https://www.irs.gov/retirement-plans/retirement-plan-and-ira-required-minimum-distributions-faqs#:~:text=Beginning%20in%202023%2C%20the%20SECURE,1%2C%202025%2C%20for%202024>

[2] <https://www.irs.gov/newsroom/401k-limit-increases-to-23500-for-2025-ira-limit-remains-7000>

[3]

<https://www.irs.gov/newsroom/give-more-tax-free-eligible-ira-owners-can-donate-up-to-105000-to-charity-in-2024#:~:text=WASHINGTON%20%E2%80%94%20The%20Internal%20Revenue%20Service,from%20>

[4] <https://www.irs.gov/businesses/small-businesses-self-employed/frequently-asked-questions-on-gift-taxes>

[5] <https://www.irs.gov/publications/p969>

[Explore Our Private Wealth Page](#)

DISCLOSURE: Securities highlighted or discussed in this communication are mentioned for illustrative purposes only and are not a recommendation for these securities.

Evergreen actively manages client portfolios and securities discussed in this communication may or may not be held in such portfolios at any given time.

This material has been prepared or is distributed solely for informational purposes only and is not a solicitation or an offer to buy any security or instrument or to participate in any trading strategy. Any opinions, recommendations, and assumptions included in this presentation are based upon current market conditions, reflect our judgment as of the date of this presentation, and are subject to change. Past performance is no guarantee of future results. All investments involve risk including the loss of principal. All material presented is compiled from sources believed to be reliable, but accuracy cannot be guaranteed and Evergreen makes no representation as to its accuracy or completeness.