



YOUR YEAR-ROUND TAX PLANNING CHECK-UP

KEEP YOUR TAX PLANNING ON TRACK!



Tax planning is much more than just a springtime activity. Tax planning is requires a yearly check-up, similar to going to the doctor once a year! Your financial demands change from year to year, so the following checkpoints will help you keep your tax plan on track.

Have You Made Contributions to a Traditional IRA?

- 2025 contribution limit (*Traditional + Roth combined*): **\$7,000** or **\$8,000** if age 50+.
- Deductibility depends on MAGI, filing status, and whether you or your spouse is covered by a workplace plan.
- For single filers covered by a plan: deduction phases out from **~\$79,000 to \$89,000** MAGI.
- For married filing jointly, where contributor is covered: phase-out is **~\$126,000 to \$146,000**.
- If you make nondeductible contributions, file [Form 8606](#) to track your basis.



Are You Maximizing Your Health Savings Account Contributions?

A health savings account (*HSA*) is available to people with high-deductible health insurance plans. These accounts are triple-tax-free.

- Must be enrolled in a qualified high-deductible health plan (*HDHP*) to contribute.
- 2025 limits: **\$4,300** for self-only coverage; **\$8,550** for family coverage.
- Additional catch-up of **\$1,000** if age 55+ and not enrolled in Medicare.
- Employer contributions count toward your limit.

How Much Are You Contributing to a Qualified Retirement Plan?

Contributions to qualifying retirement plans, such as 401(k), 403(b), and 457 plans, can lower your taxable income. Make sure you are taking advantage of any employer-matching programs.

- 2025 elective deferral limit: **\$23,500**.
- Standard catch-up (*age 50+*): **\$7,500**.
- For ages 60-63, a “super catch-up” may be allowed, up to **\$11,250**, if the plan permits.
- Under SECURE 2.0, beginning in taxable years after December 31, 2026, catch-up contributions made by participants whose prior-year wages exceed **\$145,000** (*indexed*) must be designated as Roth (*after-tax*) contributions.

Do You Need to Adjust Your W-4 Withholdings?

Form W-4 tells your employer how much federal income tax to withhold from each paycheck. Reviewing and adjusting it can prevent surprises at tax time.

- You complete Form W-4 when you start a W-2 job, but you can update it any time.
- If you owed money when filing last year, you may want to increase your withholdings.
- If you received a large refund, you may want to reduce your withholdings.
- Adjusting can help smooth out your cash flow and avoid large tax bills or refunds.
- Any extra take-home pay can be redirected to savings or investments (e.g., *high-yield savings, money market account, savings bonds, or retirement contributions*).

How Are You Structuring Your Charitable Contributions?

Although cash contributions are the most prevalent type of charitable contribution, other options may provide even greater tax benefits. Here are a few options:

Establishing a Donor-Advised Fund (DAF)	Qualified Charitable Distributions (QCDs)	Donating Appreciated Assets
<p>When you contribute cash or property to a DAF at a 501(c)(3) sponsoring organization, you typically receive a charitable deduction in that tax year (if you itemize), subject to AGI limits. Once gifted, the sponsoring organization has legal control (you retain advisory privileges), and grants are recommended over time.</p> <ul style="list-style-type: none"> • Deduction limits: up to 60% of AGI for cash gifts to public charities/DAFs; for long-term appreciated property, typically up to 30% of AGI. • Contributions are irrevocable; you cannot reclaim assets once donated. 	<p>In 2025, individuals aged 70½ or older may transfer up to \$108,000 from an IRA directly to an eligible charity (excluding DAFs or private foundations). The amount is excluded from taxable income and can satisfy (in whole or part) the Required Minimum Distribution (RMD), but is not claimed as a charitable deduction.</p> <ul style="list-style-type: none"> • QCDs must be made via a direct trustee-to-charity transfer; distributions to you first do not qualify. • Gifts to donor-advised funds or private foundations are not eligible as QCDs. 	<p>If you donate long-term appreciated assets (e.g. securities, art, real estate) to qualifying public charities (or many DAFs), you may deduct the full fair market value (subject to AGI limits). This helps you avoid paying capital gains tax that would apply if you sold the asset first.</p>

READY TO TAKE YOUR TAX CHECK-UP TO THE NEXT LEVEL?

These milestones are only the beginning of an effective year-round tax plan. At Asset Strategy, we have the experience that can meet your current wealth demands.



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- <https://www.irs.gov/newsroom/401k-limit-increases-to-23500-for-2025-ira-limit-remains-7000> as of 08.08.2025
- <https://www.irs.gov/newsroom/treasury-irs-issue-final-regulations-on-new-roth-catch-up-rule-other-secure-2point0-act-provisions> as of 09.15.2025
- <https://www.irs.gov/retirement-plans/cola-increases-for-dollar-limitations-on-benefits-and-contributions> as of 09.26.2025
- https://www.irs.gov/irb/2025-08_IRB as of 02.18.2025