

# 2020 TAX PLANNING CONSIDERATIONS

## — FOR INDIVIDUALS —

It's that time of year again when individuals are considering which tax planning opportunities will best position them for the upcoming tax filing season. But this is definitely a year unlike any other. Between the pandemic and elections, a lot remains uncertain. Here are a few tax planning ideas we're confident you can consider as 2020 comes to a close.



### Harvest Capital Losses to Offset Capital Gains

If you have more capital losses than capital gains, you may be able to offset ordinary income up to \$3,000 on federal income taxes, and carry over the rest to future years.



### Plan Your Charitable Contributions

There are still ways to increase the value received from charitable contributions, especially with new limits for cash donations (up to 100% of AGI). Also consider the use of donor advised funds. There are even new above-the-line deductions for filers using the standard deduction, such as a special deduction for cash donations of up to \$300 to qualified charities.



### Fund 529 Plans

Understand the potential tax benefits of funding a 529 plan and which distributions qualify.



### Gifts with the Use of Annual Exclusion

The annual federal gift tax exclusion allows you to give up to \$15,000 in 2020 without facing a gift tax. But remember—not all gifts qualify for the annual exclusion.



### Estate Planning Matters

The impact of the pandemic on decreasing business value and historically low interest rates could be beneficial for estate planning matters. An administration change can also bring uncertainty to existing estate tax laws, such as current lifetime exemptions and the estate tax rate.



### Withholdings

Check your withholdings to ensure they are in line with anticipated tax liability.



### Increase Pre-Tax Retirement Plan Contributions

Know the maximum amount you can contribute out of your salary. If you're over 50, be sure to take advantage of the "catch-up" contribution, which allows for extra retirement account contributions!