

# Year-End Tax Checklist 2026

A complete action guide for maximizing deductions, hitting contribution limits, and making every tax move before the clock runs out — with all 2026 IRS limits confirmed.

Based on IRS Notice 2025-67 · OBBBA provisions · All figures reflect tax year 2026

HARD DEADLINE  
**Dec 31, 2026**  
401(k) · RMDs · Tax-Loss Harvesting · QCDs

EXTENDED DEADLINE  
**Apr 15, 2027**  
IRA · HSA · SEP IRA contributions

<b>Apr 15</b> Q1 Est. Tax Payment	<b>Jun 16</b> Q2 Est. Tax Payment	<b>Sep 15</b> Q3 Est. Tax Payment	<b>Oct 15</b> Tax Extension Deadline	<b>Dec 31</b> Hard Year-End Cutoff	<b>Jan 15, '27</b> Q4 Est. Tax Payment	<b>Apr 15, '27</b> IRA / HSA Contribution Deadline
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SECTION 1 · HARD DEADLINE: DECEMBER 31

## Retirement account contributions

401(k), 403(b), and 457 contributions must clear before December 31 — they cannot be backdated. IRAs and HSAs have until April 15, 2027, but contributing early maximizes compounding.

ACCOUNT	UNDER AGE 50	AGE 50-59 / 64+	AGES 60-63 (SECURE 2.0)	DEADLINE
401(k) / 403(b) / TSP	\$24,500	\$32,500	\$35,750	Dec 31, 2026
457(b) Plan	\$24,500	\$32,500	\$35,750	Dec 31, 2026
SIMPLE IRA	\$17,000	\$21,000	\$22,250	Dec 31, 2026
Traditional / Roth IRA	\$7,500	\$8,600	\$8,600	Apr 15, 2027
HSA — Self-Only HDHP	\$4,400 (age 55+: \$5,400)			Apr 15, 2027
HSA — Family HDHP	\$8,750 (age 55+: \$9,750)			Apr 15, 2027
SEP IRA	Up to \$72,000 or 25% of compensation			Tax filing deadline + extensions
Solo 401(k) — Combined	Up to \$72,000 (employee \$24,500 + employer up to 25% comp)			Dec 31, 2026 (employee); tax deadline (employer)

**New for 2026: Catch-up contributions for ages 60-63 are the highest available under SECURE 2.0's "super catch-up" provision. Employees earning over \$150,000 in prior-year W-2 wages must make catch-up contributions as Roth (after-tax) starting in 2026.**

#### DEC 31 HARD DEADLINE

### 401(k) / 403(b) / 457 — Max Before Year-End

Employee contributions to employer plans must be withheld from your paycheck before December 31. You cannot go back and add contributions after the year closes.

- Check current YTD contributions** vs. your limit — how much room remains?
- Increase your deferral rate** in the final pay periods if under the limit
- Confirm employer match** — contribute at least enough to capture 100% of the match
- Ages 60-63:** Confirm your plan allows the \$35,750 super catch-up and elect it
- Check if Mega Backdoor Roth is available** — after-tax 401(k) contributions must also close Dec 31

#### APR 15, 2027 DEADLINE

### IRA & HSA — Still Time, But Don't Wait

IRA and HSA contributions for tax year 2026 can be made as late as April 15, 2027 — but contributing now starts compounding sooner and avoids the last-minute rush.

- Roth IRA:** Contribute \$7,500 (\$8,600 age 50+) if income is below \$153K single / \$242K MFJ phase-out
- Traditional IRA:** Deductibility phases out \$81K-\$91K single / \$129K-\$149K MFJ (if covered by workplace plan)
- Backdoor Roth:** Contribute to non-deductible traditional IRA and convert — no income limit on conversion
- HSA:** Contribute the full limit if enrolled in an HSA-qualified HDHP — invest the balance in low-cost index funds

**2026 Roth IRA income phase-out:** Single filers: \$153,000-\$168,000. Married filing jointly: \$242,000-\$252,000. Above these limits, use the Backdoor Roth strategy. Watch the pro-rata rule if you hold other pre-tax IRA balances.

#### SECTION 2 · HARD DEADLINE: DECEMBER 31

## Required minimum distributions (RMDs)

Missing an RMD triggers a 25% excise tax on the amount that should have been withdrawn (reduced to 10% if corrected promptly). RMDs cannot be rolled over or converted to Roth. Plan carefully — especially if you are in your first RMD year.

#### ACTION REQUIRED

### Take Your 2026 RMD

Required by December 31, 2026 if you are age 73 or older. Applies to traditional IRAs, 401(k)s, 403(b)s, 457 plans, and inherited retirement accounts.

- Confirm RMD amount** with your custodian — calculated on prior Dec 31 balance ÷ IRS life expectancy factor
- First RMD:** If you turn 73 in 2026, you can delay your first RMD to April 1, 2027 — but you'll then owe two RMDs in 2027. Calculate the tax cost of both options.
- Roth 401(k):** No longer subject to lifetime RMDs under SECURE 2.0

#### STRATEGY

### Qualified Charitable Distribution (QCD)

Age 70½ or older? A QCD lets you transfer up to \$105,000 directly from your IRA to a qualified charity. The amount counts toward your RMD and is excluded from taxable income — even if you don't itemize deductions.

- Must be a direct transfer** from IRA custodian to charity — do not take the distribution yourself first
- Limit:** \$105,000 per person per year (\$210,000 for couples each using their own IRA)
- Hard deadline:** December 31, 2026

#### CONSIDER

### Roth Conversion Before RMDs Begin

If you are approaching age 73, consider converting pre-tax IRA balances to Roth now — while you still control the timing. Converting reduces future RMD amounts, builds tax-free wealth, and benefits heirs.

- Target:** Fill up your current tax bracket without spilling into a higher one
- Watch:** IRMAA thresholds — 2026 conversions affect 2028 Medicare premiums (\$106K single / \$212K MFJ)
- Dec 31 deadline** applies to conversions counted in 2026 tax year

#### SECTION 3

## Income & tax bracket management

Understanding where you stand in the 2026 brackets now — before year-end — gives you time to shift income or accelerate deductions while you still can.

2026 RATE	SINGLE FILER	MARRIED FILING JOINTLY	PLANNING NOTE
10%	\$0 – \$12,400	\$0 – \$24,800	Lowest bracket — Roth conversion opportunity if income is this low
12%	\$12,401 – \$50,400	\$24,801 – \$100,800	Ideal Roth conversion target — low effective cost
22%	\$50,401 – \$105,700	\$100,801 – \$211,400	Most working adults — reduce via 401k/HSA/IRA deductions
24%	\$105,701 – \$201,775	\$211,401 – \$403,550	Max pre-tax contributions; evaluate deferred comp options
32%	\$201,776 – \$256,225	\$403,551 – \$512,450	Mega Backdoor Roth; bunching deductions; DAF gifting
35%	\$256,226 – \$640,600	\$512,451 – \$768,700	Charitable strategies; loss harvesting; municipal bonds
37%	Over \$640,600	Over \$768,700	Muni bonds; DAF; deferred comp; estate gifting strategies

**Standard deduction: \$16,100 single · \$32,200 MFJ · \$24,150 head of household · SALT cap: \$40,400 (phases out above ~\$505K MAGI)**

### INCOME TIMING

#### Project Your 2026 Taxable Income Now

Before year-end, estimate where you'll land in the brackets. This determines whether to accelerate or defer income and deductions.

- Defer income** if you expect to be in a lower bracket next year (bonus timing, invoicing decisions if self-employed)
- Accelerate income** if you expect higher rates in 2027 (Roth conversion, taking gains this year)
- Check estimated tax payments** — Q4 is due January 15, 2027. Underpayment penalty applies if you owe more than \$1,000 and haven't paid 90% of this year's tax or 100% of last year's (110% if prior AGI exceeded \$150K)
- Bunching deductions** — if itemizing, consider concentrating 2 years of deductible expenses into one year to exceed the standard deduction

### LTCG PLANNING

#### Long-Term Capital Gains Rate Check

Long-term capital gains (assets held over 1 year) are taxed at preferential rates — dramatically lower than ordinary income.

- 0% rate:** Taxable income up to \$49,450 single / \$98,900 MFJ — consider harvesting gains tax-free if you're in this range
- 15% rate:** \$49,451–\$545,500 single / \$98,901–\$613,700 MFJ
- 20% rate:** Above \$545,500 single / \$613,700 MFJ
- NIIT (3.8%):** Applies to investment income for single filers over \$200K / MFJ over \$250K — pushes effective rate to 23.8%
- Hold period check:** Review positions nearing the 1-year mark before selling

SECTION 4 · HARD DEADLINE: DECEMBER 31

## Tax-loss harvesting

Selling investments at a loss to offset capital gains — and up to \$3,000 of ordinary income — is one of the most reliable year-end tax strategies available in a taxable brokerage account.

#### DEC 31 DEADLINE

### How Tax-Loss Harvesting Works

Losses in your taxable brokerage can offset capital gains dollar-for-dollar. If losses exceed gains, up to \$3,000 can offset ordinary income per year. Excess losses carry forward indefinitely.

- Review your brokerage account** — identify positions with unrealized losses
- Match losses against gains:** Short-term losses first offset short-term gains (taxed at ordinary rates); long-term losses offset long-term gains
- \$3,000 ordinary income offset:** If total losses exceed total gains, deduct up to \$3,000 against wages or other ordinary income
- Carry forward excess:** Remaining losses carry to future tax years — track on Schedule D

#### WATCH OUT

### Wash-Sale Rule

If you sell a security at a loss and buy the same (or substantially identical) security within 30 days before or after the sale, the IRS disallows the loss.

- The 30-day window:** Applies 30 days before AND 30 days after the sale date — 61 days total. Don't repurchase in taxable or retirement accounts.
- Replacement strategy:** Buy a similar but not identical ETF (e.g., sell VTI, buy SCHB) to maintain market exposure during the waiting period
- Cross-account rule:** Applies across all accounts you control, including your spouse's accounts and IRAs
- Crypto:** Wash-sale rules do not currently apply to Bitcoin or other cryptocurrencies — consult your tax professional for current guidance

## SECTION 5

# Charitable giving strategies

New in 2026 (OBBBA): Charitable deductions now require contributions to exceed 0.5% of AGI before any itemized deduction is allowed. A new \$1,000 above-the-line deduction (\$2,000 MFJ) for non-itemizers applies to direct charitable gifts.

#### STANDARD STRATEGY

### Cash Donations — New Rules Apply

For 2026, your charitable deductions are only deductible to the extent they exceed 0.5% of your AGI. Example: if your AGI is \$200,000, the first \$1,000 in charitable donations is not deductible.

- Non-itemizers:** Claim the new \$1,000 (\$2,000 MFJ) above-the-line deduction for direct cash gifts to qualified charities — does not apply to donor-advised funds
- Verify charity eligibility** at IRS.gov/charities before claiming
- Deadline:** December 31, 2026 for current-year deduction

#### ADVANCED STRATEGY

### Donor-Advised Fund (DAF)

Contribute appreciated assets or cash to a DAF, take the full deduction now, then grant to charities over time. Bunching several years of giving into one year can push itemized deductions above the standard deduction.

- Donate appreciated securities** — avoid capital gains tax on the appreciation while claiming full fair market value as a deduction
- Note:** Non-itemizers' new \$1,000 above-the-line deduction does NOT apply to DAF contributions
- Year-end deadline** to count in 2026 tax year

#### IRA OWNERS AGE 70½+

### Qualified Charitable Distribution

Transfer up to \$105,000 directly from an IRA to charity. The QCD is excluded from taxable income entirely — better than a deduction because it reduces your AGI.

- Reduces AGI** — lowers Social Security taxation, Medicare IRMAA surcharges, and phase-outs for other deductions
- Counts toward RMD** — satisfies your required minimum distribution
- Hard deadline:** December 31, 2026 — must clear by year-end

## SECTION 6

## Estate planning & gifting

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The annual gift tax exclusion is use-it-or-lose-it — it does not carry over to next year. 2026 brings a significant increase in the lifetime estate exemption under the OBBBA.

### DEC 31 DEADLINE

#### 2026 Annual Gift Tax Exclusion

You can give \$19,000 per recipient in 2026 without filing a gift tax return or using any lifetime exemption. Married couples can jointly give \$38,000 per recipient.

- Exclusion expires Dec 31** — unused amounts do not roll over to 2027
- No limit on the number of recipients** — gift to multiple children, grandchildren, or others
- Non-cash gifts count:** Stocks, real estate, and Bitcoin all qualify — value is determined at date of gift
- Medical and tuition exclusion:** Unlimited — payments made directly to medical providers or educational institutions do not count against the \$19,000 limit
- 529 superfunding:** Elect to front-load 5 years of exclusions (\$95,000 per beneficiary) in one year — requires a Form 709 election

### 2026 OBBBA UPDATE

#### Lifetime Estate & Gift Exemption: \$15,000,000

The federal lifetime exemption increased to \$15,000,000 per person (\$30,000,000 per couple) under the One Big Beautiful Bill Act. This is a \$1,010,000 increase from 2025 — and is now permanent with annual inflation adjustments.

- Estates under \$15M per person** — no federal estate tax. Review whether state estate taxes apply (NM has no state estate tax).
- Prior gifting:** If you previously used your lifetime exemption, the increase creates new gifting headroom — consult your estate attorney
- Community property step-up (NM):** Both halves of a joint account receive a step-up in basis at the first spouse's death — coordinate titling with your estate plan
- Portability:** A surviving spouse can use a deceased spouse's unused exemption — file Form 706 to elect portability even if no estate tax is owed

## Self-employed & business owner checklist

Business owners have access to the most powerful tax reduction tools — but many carry December 31 deadlines that cannot be extended.

### DEC 31 DEADLINE

#### Solo 401(k) Employee Contributions

If you have a Solo 401(k), the employee-side contribution (\$24,500, or up to \$35,750 if ages 60–63) must be elected and contributed before December 31. Employer-side profit-sharing contributions can wait until your tax filing deadline.

- Must have a plan document in place** before December 31 to make contributions for 2026
- Select Roth or pre-tax** on the employee contribution — Roth Solo 401(k) has no income limits
- Mega Backdoor Roth:** After-tax contributions + in-plan Roth conversion — must execute before Dec 31

### BY FILING DEADLINE

#### SEP IRA & S-Corp Planning

SEP IRA contributions (up to \$72,000 or 25% of comp) can be made up to your business tax return due date — including extensions.

- QBI deduction:** 20% deduction on qualified business income — permanent under OBBBA. Phase-in limits apply above \$201,775 (single) / \$403,500 (MFJ).
- Section 179 / Bonus depreciation:** Review equipment purchases before year-end — immediate expensing reduces 2026 taxable income
- S-Corp reasonable compensation:** Confirm W-2 wages are set before year-end — retirement plan contributions are based on W-2, not distributions
- Estimated taxes:** Self-employed individuals owe both income tax and 15.3% self-employment tax. Q4 estimated payment due January 15, 2027.

# Master year-end checklist

## MUST COMPLETE BY DEC 31

### Hard Deadlines — No Extensions

- 401(k) / 403(b) / 457 contributions** — finalize employee deferrals
- Required Minimum Distributions (RMDs)** — age 73+ only
- Qualified Charitable Distributions (QCDs)** — age 70½+, direct from IRA
- Tax-loss harvesting** — sell losing positions in taxable accounts
- Roth conversions** — counted in 2026 tax year
- Annual gift exclusion** — \$19K per recipient, expires Dec 31
- FSA balance** — spend down your Flexible Spending Account (use it or lose it)
- Business equipment purchases** — Section 179 / bonus depreciation
- Charitable donations** (for current-year deduction)
- 529 contributions** (for state tax deduction in states that offer it)

## EXTENDED DEADLINE — APR 15, 2027

### Can Wait — But Don't

- IRA / Roth IRA contributions** for 2026 tax year
- HSA contributions** for 2026 tax year
- SEP IRA contributions** (up to tax filing deadline + extensions)
- Solo 401(k) employer contributions** (up to tax filing deadline)
- File Form 709** (gift tax return) if gifts exceeded \$19K per recipient

## REVIEW BEFORE YEAR-END

### Annual Housekeeping

- Update beneficiary designations** on all retirement accounts, life insurance, and HSAs — especially after life events (marriage, divorce, birth, death)
- Review withholding** — adjust W-4 if you've had income changes, a new dependent, or a major life event
- Check estimated tax payments** — are you on track? Q4 due Jan 15, 2027
- Rebalance your portfolio** — review asset allocation drift and rebalance tax-efficiently
- Review investment account titling** — NM community property and probate bypass are affected by how accounts are titled
- Evaluate open enrollment decisions** — FSA / HSA elections, HDHP enrollment, disability coverage
- Gather tax documents** — organize W-2s, 1099s, K-1s, charitable receipts, and medical receipts

## BITCOIN / CRYPTO OWNERS

### Cryptocurrency Tax Checklist

- Crypto is taxable property** — every sale, exchange, or conversion is a taxable event regardless of gain or loss amount
- Harvest crypto losses:** Wash-sale rules do not currently apply to cryptocurrency — consult a tax professional for current IRS guidance
- LTCG rates apply** if held over 1 year — consider timing sales for favorable rates
- Gift crypto:** Gifts of \$19,000 or less per recipient are excluded from gift tax — no capital gains on the transfer to the recipient
- Organize transaction records** — cost basis, dates acquired, dates sold for every transaction
- IRA / ETF held Bitcoin:** No year-end tax action required — tax-deferred or tax-free depending on account type

**New Mexico residents:** New Mexico has no state estate tax. NM income tax rate is 5.9% (flat rate for most brackets). NM follows federal treatment for most retirement account deductions. Community property titling of joint accounts provides the "double step-up" in basis at the first spouse's death — one of the most valuable estate planning tools available to NM residents. Ensure joint accounts are properly titled as community property if you intend to take advantage of this benefit.

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