



DEEM ASSET MANAGEMENT

The Modern Advisor

YEAR-END FINANCIAL PLANNING

October 2025

OPTIMIZE YOUR FINANCES

DEEM ASSET MANAGEMENT LLC IS A REGISTERED INVESTMENT
ADVISOR IN OHIO AND MAINE. SEE DISCLOSURES FOR IMPORTANT
INFORMATION.

TAKING ACTION

Importance of Year-End Reviews

Year-end reviews are vital for personalized financial strategy and prioritizing key actions before the new year.

Tax Savings and Financial Position

Proactive planning before year-end can lead to significant tax savings and improved overall financial health.

Benefits of Timely Action

Acting in November and December can lead to favorable tax results in April.



CONTRIBUTIONS AND CONVERSIONS

Adjust Retirement Contributions

Consider maximizing contributions to retirement accounts like 401(k), 403(b), and IRAs to reduce taxable income and build savings.

Strategic Conversion Timing for 2025+

Analyze financial situation to determine if 2025 or multiple years is optimal for Roth conversion, allowing for future tax-free growth.

Small Business Retirement

Review SEP IRAs, 401(k) plans, Roths and SIMPLE IRAs to maximize contributions and meet reporting mandates before deadlines.



HSA & CHARITY

Health Savings Accounts & Brokerage

HSAs offer triple tax benefits: deductible contributions, tax-free growth, and tax-free medical withdrawals. Invest in an HSA brokerage (HSBA).

Qualified Charitable Distributions

QCDs let individuals over 70½ donate IRA funds to charities with an RMD. Donating appreciated stocks avoids capital gains taxes and provides deductions.

Bunching Deductions Strategy

Combining two years of deductions can increase itemized deduction benefits for taxpayers near the standard deduction limit.



HSA, FSA, LIMITS & RMDs



HSA and FSA Contribution Limits

HSA limits rise to \$4,400 for individuals and \$8,750 for families in 2026, with FSAs increasing to \$3,400.

Catch-Up Contributions

Catch-up contributions for individuals aged 55 and older remain at \$1,000, supporting additional savings.

Increased Contribution Limits

Limits for 401(k), 403(b), and 457 plans increased in 2025 and likely in 2026 (IRS announcement soon).

RMD Compliance Deadline

Individuals facing RMDs by December 31 must withdraw to avoid excise tax on shortfalls (excluding 1st year RMDs).

529 AND FSA

529 Plan Benefits

Contributions to 529 plans may qualify for state tax deductions and grow tax-free when used for education expenses.

Flexible Spending Account (FSA) Usage

FSAs have a use-it-or-lose-it rule with funds expiring at year-end.

Maximizing FSA and Other Benefits

Timely contributions and proper management ensures you maximize tax benefits and avoid losing allocated funds.



ESTATE PLANNING

Estate Plan Updates

Regularly updating wills or trusts prevents unintended consequences and aligns with your goals.

Beneficiary Designations

Double check your accounts are designating the proper beneficiaries.

Comprehensive Financial Strategy

Integrating retirement and estate planning provides peace of mind and a holistic financial approach.



STRATEGIC GIFTING

Annual Gift Tax Exclusion; Reduce Future Estate

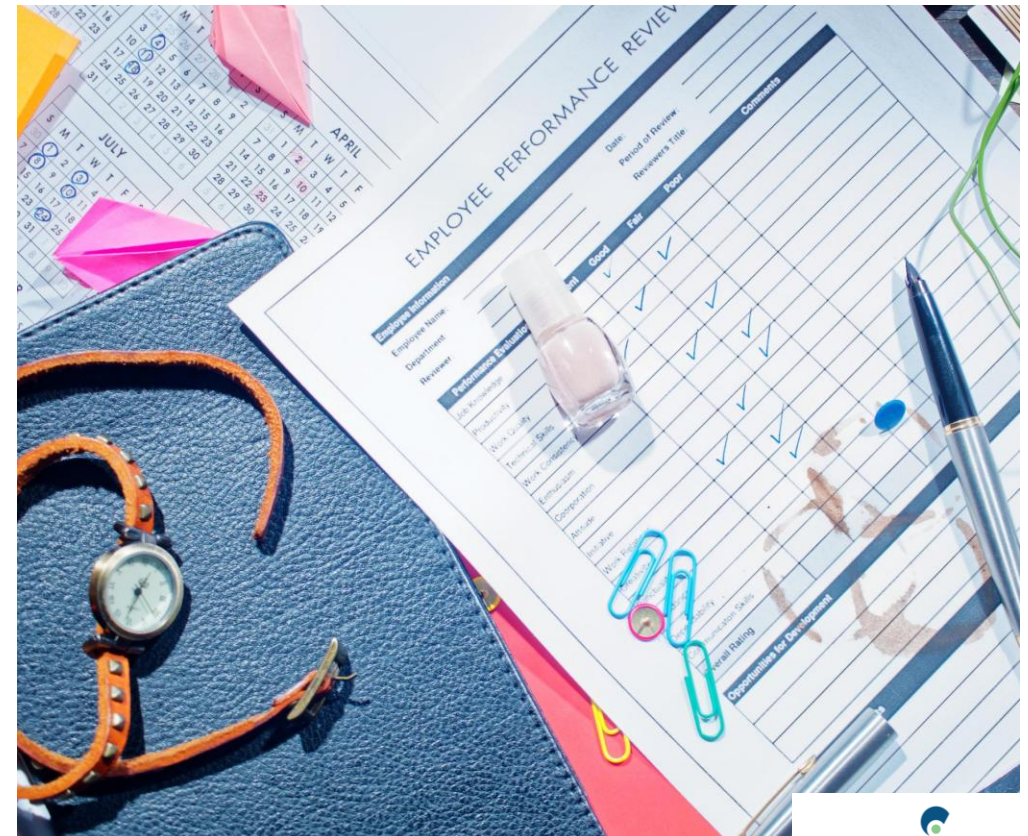
In 2025, gifting up to \$19,000 per person avoids gift tax and preserves lifetime exemption.

Direct Payments for Education and Medical

Payments made directly to schools or medical providers are unlimited and do not count against the gift tax exclusion.

Strategic Gifting Plans

Develop gifting strategies to maximize tax benefits and utilize new limits effectively.



TAX LOSS HARVESTING, PORTFOLIOS & BUSINESS

Tax Loss Harvesting Benefits

Selling underperforming investments offsets capital gains and reduces overall tax liability effectively.

Portfolio Rebalancing Importance

Rebalancing portfolios adjusts asset allocations post-market changes to align with financial goals and optimize tax outcomes.

Business Expenses

Accelerate deductible business expenses into 2025 or defer income to 2026 if it makes sense tax-wise.



COVERAGE REVIEWS AND STRATEGIC TAX MOVES

Annual Insurance Coverage Review

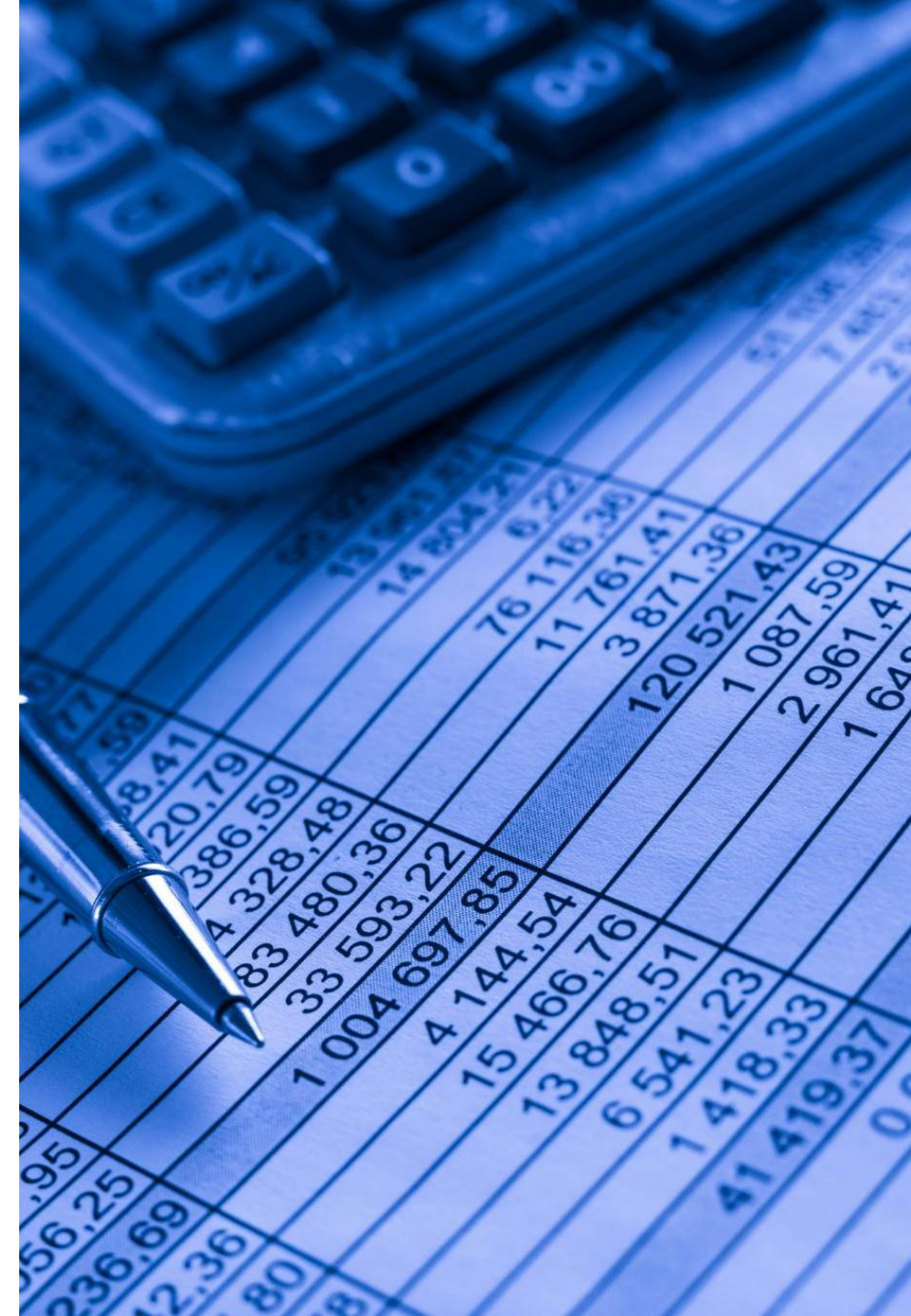
Review insurance annually to avoid over-insurance or under-protection and achieve cost savings.

Strategic Tax Planning

Utilize tax strategies like pre-paying property taxes and adjusting W-4 or RMD withholdings to optimize tax outcomes.

Year-End Financial Preparedness

Conduct reviews before year-end to minimize tax surprises and strengthen financial readiness.



CAPITAL GAINS & ROTH CONVERSION RULES



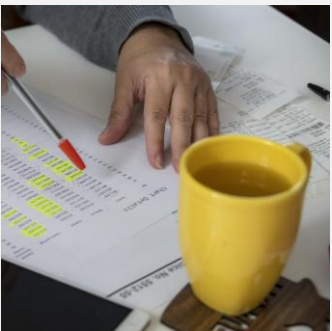
Capital Gains Tax Thresholds 2025-2026

Long-term capital gains tax rates remain 0%, 15%, and 20%, with increased income thresholds for single and joint filers.



Roth Conversion Rules

RMDs must be satisfied before Roth conversions to avoid penalties, with backdoor strategies still applicable.



Tax Planning Considerations

Large conversions can affect deductions and trigger Medicare IRMAA or Net Investment Income Tax surcharges.

2025 RETIREMENT, HSA, FSA, GIFT, AND ESTATE LIMITS

NOTE: 2026 WILL BE RELEASED IN A FEW WEEKS. RETIREMENT ACCOUNT LIMITS ARE PROJECTED TO GROW ~\$500.

ITEM	2025 LIMIT
401(k)/403(b)/457	\$23,500 (+\$7,500 catch-up)
Traditional / Roth IRA	\$7,000 (+\$1,000 catch-up)
HSA (Individual)	\$4,300 (+\$1,000 catch-up)
HSA (Family)	\$8,550 (+\$1,000 catch-up)
Annual Gift Exclusion	\$19,000 per recipient

2025 FEDERAL TAX BRACKETS

Tax rate	Single filer	Married filing jointly (or surviving spouse)	Head of household	Married filing separately
10%	\$0 to \$11,925	\$0 to \$23,850	\$0 to \$17,000	\$0 to \$11,925
12%	\$11,926 to \$48,475	\$23,851 to \$96,950	\$17,001 to \$64,850	\$11,926 to \$48,475
22%	\$48,476 to \$103,350	\$96,951 to \$206,700	\$64,851 to \$103,350	\$48,476 to \$103,350
24%	\$103,351 to \$197,300	\$206,701 to \$394,600	\$103,351 to \$197,300	\$103,351 to \$197,300
32%	\$197,301 to \$250,525	\$394,601 to \$501,050	\$197,301 to \$250,500	\$197,301 to \$250,525
35%	\$250,526 to \$626,350	\$501,051 to \$751,600	\$250,501 to \$626,350	\$250,526 to \$375,800
37%	\$626,351 or more	\$751,601 or more	\$626,351 or more	\$375,801 or more

Source: IRS, nerdwallet

2026 FEDERAL TAX BRACKETS

Tax rate	Single filer	Married filing jointly (or surviving spouse)	Head of household	Married filing separately
10%	\$0 to \$12,400	\$0 to \$24,800	\$0 to \$17,700	\$0 to \$12,400
12%	\$12,401 to \$50,400	\$24,801 to \$100,800	\$17,701 to \$67,450	\$12,401 to \$50,400
22%	\$50,401 to \$105,700	\$100,801 to \$211,400	\$67,451 to \$105,700	\$50,401 to \$105,700
24%	\$105,701 to \$201,775	\$211,401 to \$403,550	\$105,701 to \$201,750	\$105,701 to \$201,775
32%	\$201,776 to \$256,225	\$403,551 to \$512,450	\$201,751 to \$256,200	\$201,776 to \$256,225
35%	\$256,226 to \$640,600	\$512,451 to \$768,700	\$256,201 to \$640,600	\$256,226 to \$384,350
37%	\$640,601 or more	\$768,701 or more	\$640,601 or more	\$384,351 or more

Source: IRS, nerdwallet

2025 CAPITAL GAINS TAX RATES

Tax rate	Single	Married filing jointly	Married filing separately	Head of household
0%	\$0 to \$48,350	\$0 to \$96,700	\$0 to \$48,350	\$0 to \$64,750
15%	\$48,351 to \$533,400	\$96,701 to \$600,050	\$48,350 to \$300,000	\$64,751 to \$566,700
20%	\$533,401 or more	\$600,051 or more	\$300,001 or more	\$566,701 or more

2026 CAPITAL GAINS TAX RATES

Tax rate	Single	Married filing jointly	Married filing separately	Head of household
0%	\$0 to \$49,450	\$0 to \$98,900	\$0 to \$49,450	\$0 to \$66,200
15%	\$49,451 to \$545,500	\$98,901 to \$613,700	\$49,451 to \$306,850	\$66,201 to \$579,600
20%	\$545,501 or more	\$613,701 or more	\$306,851 or more	\$579,601 or more

DISCLOSURE

Informational Purpose Only

The material is for informational use and not intended as specific investment, tax or legal advice.

Consult Professionals

Always consult qualified financial, tax, or legal professionals for advice tailored to personal circumstances.

Suitability and Evaluation

Financial strategies may not suit everyone and should be assessed relative to individual financial goals and tax situations.





CONTACT

Anthony J. Deem

a@deemasset.com

330-685-1975 (cell)

www.deemasset.com