



STARTING THE YEAR OFF RIGHT

Happy new year! Even now, in the earliest days of 2022, there are things you can do to start your finances off on the right foot. Consider:

- Getting your tax documents in order for your 2021 filing. The IRS will start processing federal tax returns on Jan. 31st. The deadline is April 15th for filing federal and most state returns and extension requests.
- Defining your philanthropic strategy for the year: beneficiaries/causes, amounts, methods of contribution, additions to your Donor Advised Fund, etc. Please note: It’s uncertain whether the CARES Act tax break for charitable dollars for non-itemizers will be extended into 2022.
- Maximizing your IRA or Roth IRA contributions for the 2021 tax year if you’ve not already done so. You have until April 15th.
- Planning for upcoming extraordinary expenditures such as home improvements, a new car or, hopefully, travel plans, and devising strategies to cover them.
- Looking at the impact of making gifts to family this year. The limit is \$16,000 per donor for the recipient to avoid estate- or gift-tax consequences. That’s up from \$15,000 in 2021. Both you and your spouse can make the same gift to the same beneficiary.
- Adjusting tax withholding or quarterly tax payment amounts as part of your tax planning.
- Creating a household budget if needed – and committing yourself to sticking to it.

Of course, we always are here to help you make these decisions and take the actions you need to implement them.

TAX TIP	GIVING	WHO KNEW?	IN THE MARKET
<p>The lifetime gift-tax exemptions increased this year from \$11.7 million to \$12.06 million (\$24.12 million for a married couple).</p> <p>The exemption is scheduled to decrease to about \$6.2 million in 2026.</p>	<p>As you consider a gift to a nonprofit, ask them about their fundraising expense ratio: The amount of your dollar that supports the operations of fundraising. Many experts suggest 15 percent or less overall is a good measure of efficiency.</p>	<p>The Royal Road was an ancient highway reorganized by Persian King Darius I in the 5th century BC. A major trade and communication route, it stretched 1,677 miles from Susa to Sardis. Mounted couriers could make the journey in nine days; on foot it took 90 days.</p>	<p>You’ve heard of a monopoly – when one company owns all or nearly all the market for a product or service. Other members of the “Opoly” family: Duopoly (two companies cornering the market) and Oligopoly, where a small number of companies dominate.</p>