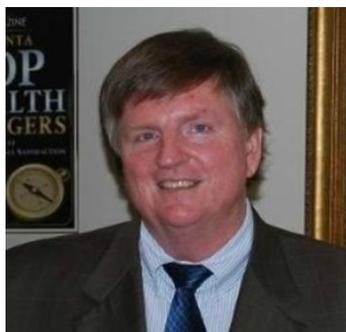




Top Year-End Tax Planning Tips for 2015

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It is not too late to save money on your income taxes, but once the year is over your opportunities for 2015 tax savings will be limited. So take a quick review now and see what steps you can take before year-end to reduce your 2015 income tax bill.

A basic tax savings maneuver is to defer recognition of income and create or accelerate recognition of tax deductions. You reduce your reportable 2015 taxable income whenever you can defer income or create/accelerate deductions. Here are some key tax strategies that take advantage of this basic tax savings concept.

1. **Defer taking capital gains on the sale of investment assets until January or later in order to defer recognition of the capital gain.**
2. **Take capital losses (tax harvesting) on sale of investment assets in order to offset recognized capital gains. The tax law allows a net capital loss of \$3,000 after offsetting gains and losses.**
3. **Wait until 2016 on taking non-mandatory distributions from IRA accounts or other taxable retirement accounts in order to defer the income to the next tax year.**
4. **Be aware of buying stocks or mutual funds in a taxable account just before a year-end dividend distribution. This tax trap can result in extra taxable income at year-end.**
5. **If you are a small businessman or self-employed you may be able to delay certain billings until January in order to avoid recognizing the income in December.**
6. **Defer recognition of year-end bonus to January if possible.**
7. **Make year-end deductible contributions to IRAs, 401(k), and HSAs (health savings accounts) if you have not already maxed out deductible contributions. Don't forget your catch up provisions allowing for greater contributions if you are age 50 or older.**

8. **Make year-end charitable contributions. Gifting long-term capital gain assets such as appreciated stock to charity is a good way to avoid tax on the capital gain and also get a charitable deduction for the fair market value of the gift to charity. Consider using a Donor Advised Fund.**
9. **Don't forget deductible year-end gifts of clothes or other property to Goodwill or Salvation Army. Remember, you must have a receipt for any charitable contribution.**
10. **If you are self-employed and do not already have a retirement plan consider setting one up before year-end.**
11. **Prepay your state quarterly estimated taxes normally due on January 15 before year-end in order to accelerate the deduction for this year.**
12. **If you have a Flexible Spending Account (FSA) with your employer don't let it go to waste.**
13. **Contributions to a Coverdell Education Savings Account (ESA) or a 529 college savings plan are not deductible for federal taxes but may be entitled to partial deduction or credit for state taxes if done before year-end. Check to see if your state provides a deduction or tax credit for qualified education accounts.**

Implementing one or more of the above year-end tax savings steps may add some holiday cheer to the season. Call us if you need help or guidance on year-end tax planning.

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Sincerely,

George M Hiller Companies, LLC Investment Team

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