

Your Financial Journey: Taxes From Beginning to End

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Agenda

1. Beginning: Understanding the Basics
2. Middle: Tax Deductions
3. End: Retirement and Estate Planning

Beginning: Understanding the Basics of Taxes

Understanding the Basics of Taxes

- Know your tax situation
 - Employee, self-employed, combination, filing status
- How are your taxes paid?
 - Wage withholding
 - Quarterly tax estimates
- Avoiding tax penalties – safe harbor rules
 - 90% of current year tax
 - 110% of prior year tax
- Tax rates – ordinary, capital gains, net investment income tax (NIIT), additional Medicare tax, kiddie tax
- Tax Day!



Middle: Tax Deductions

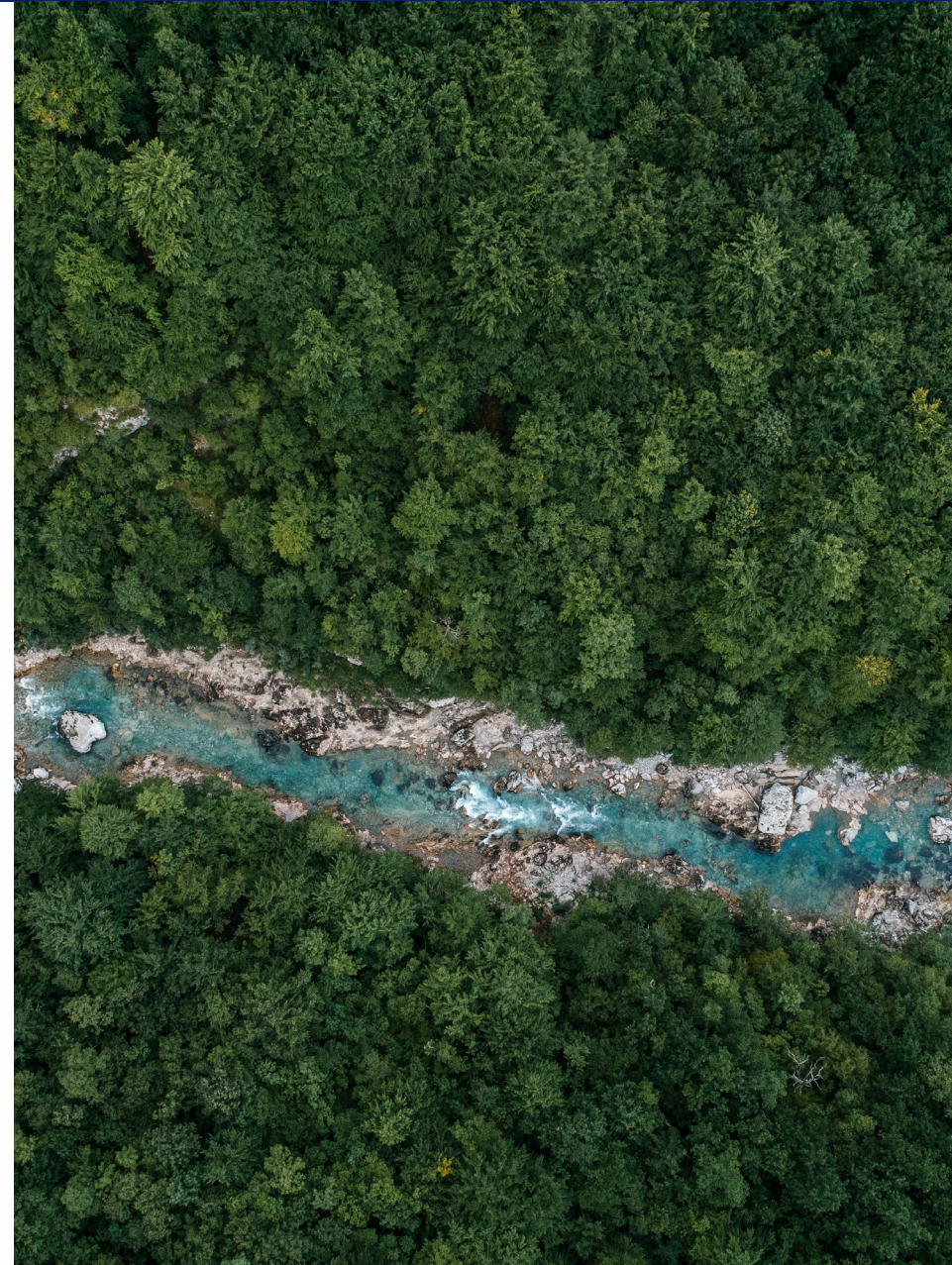
Tax Deductions

- Standard vs. itemized deduction (2023)
 - Standard – single (\$13,850), married filing jointly (\$27,700)
 - Itemized – state income and real estate taxes paid, medical expenses, mortgage interest, charitable contributions
- Business expenses
 - Unreimbursed employee business expenses – TCJA eliminated
 - Self-employed business expenses (dues, supplies, phone, travel, etc.)
- Retirement contributions
 - IRA (traditional vs. Roth, deductible vs. non-deductible)
 - Backdoor Roth contributions
 - Self-employed retirement plans (SEP)
- Health Savings Accounts
- Indiana benefits – 529 plan contributions, Indiana college donations

**End:
Retirement and Estate
Planning**

Retirement and Estate Planning

- Post-retirement
 - What will taxable income look like?
 - Social security income
 - Investment income
 - Potential Roth conversions while in lower tax brackets
- Required Minimum Distributions (RMD)
 - Start at age 73
 - Calculation
 - Planning
- Estate planning
 - Annual gift limit – \$17,000 (per recipient)
 - Lifetime exemption is \$12.92 million
 - Currently scheduled to sunset beginning 2026 and will be cut in half



Presenter



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Thank you.

The information presented herein is general in nature and should not be acted upon without the advice of a professional.

