Consider These Year-End Financial Moves

It won't be long before we turn the page on 2023. But you still have time to make some financial moves that can pay off in 2024 — and beyond.

Here are a few to consider:

• *Review your progress toward your goals*. Have you made progress toward your long-term goals over this past year? If not, you may want to revisit your investment and financial strategies.

• *Boost contributions to your retirement plans*. If your employer allows it, you may be able to increase your contributions to your 401(k) or similar retirement plan before the year ends. And you have until April 15 to contribute to your IRA for the 2023 tax year. You can put in up to $6,500 to your traditional or Roth IRA and add another $1,000 if you're 50 or older. (Your ability to fully contribute to a Roth IRA is based on your income).

• *Don't waste FSA dollars*. If you have a flexible spending account (FSA) through your employer, you've likely used it to take care of a variety of health care costs, such as deductibles, co-payments and coinsurance. But FSAs are "use it or lose it" accounts, so if you have unspent dollars at year-end, you risk losing them. Make sure you know your employer's deadlines for incurring expenses and submitting claims so you can take full advantage of your FSA.

• *Contribute to your HSA*. When you have a health savings account (HSA), your contributions are tax deductible, your earnings generally grow tax free and your withdrawals are tax free, as long as they're used for qualified medical expenses. Plus, an HSA isn't "use it or lose it" — you can carry unused funds through retirement, when you can still use them for qualified medical expenses. And you've got until the April 15 tax deadline to contribute to your HSA for 2023 (Check with your employer on how to contribute to your HSA past December 31, 2023.)

• *Strengthen your emergency fund*. If you don't already have an emergency fund, see if you can start one before the year lets out. Eventually, try to put away three to six months' worth of living expenses, with the money kept in a liquid, low-risk account.

• *Think about tax-loss harvesting*. If you have some investments that have lost value, and they no longer fit into your plan, you could sell them to offset gains from other investments, including capital gains distributions from mutual funds. And if your losses exceed gains for the year, you could use the remaining losses to offset up to $3,000 of ordinary income — and any amount over $3,000 can be carried forward to offset gains in future years. You'll want to consult with your tax advisor before embarking on tax-loss harvesting.

• *Bundle your charitable contributions*. A few years ago, a change in the tax laws resulted in a large increase in the standard deduction, which led to fewer people itemizing deductions and less incentive for making deductible charitable gifts. But if you can afford to "bunch" two to three years' worth of charitable donations, you may be able to itemize and gain a greater tax benefit.

It's always challenging to reach your goals and gain feelings of control over your financial future. But by reviewing your situation every year and making the appropriate moves, you can help yourself keep moving in the right direction.

This article was written by Edward Jones for use by your local Edward Jones Financial Advisor.

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