



12.01.25 | FINANCIAL PLANNING

Finish Strong: Your Financial Planning Game Plan for Year-End 2025

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As 2025 winds down, now is the time to step back and take stock of your financial life. This isn't just about squeezing in a few deductions – it's about being deliberate with your decisions and preparing for what's next. Proactive moves made before December 31 can ripple well beyond 2026, especially for higher-income households. Below, your Grimes Financial Planning Committee highlights the areas where timely action can make the biggest difference, along with practical insights from our advisors.

RETIREMENT PLANNING

Myth: "I have until Tax Day to deal with retirement contributions."

What's the real opportunity here? Many retirement decisions, like maxing out a 401(k) or converting traditional IRAs to Roth, must be made by year-end, not April. With upcoming tax law shifts under One Big Beautiful Bill Act (OBBBA), Roth Conversions may be especially timely for those looking to lock in lower current tax rates.

Karen Kelly CFP® says: "If you want to maximize your tax bracket or clean up future RMD issues, now's the time to act. Lower-income earners especially should evaluate Roth conversions and catch-up contributions. Reviewing your full account mix now, including workplace plans, IRAs, and HSAs, can help you make smarter withdrawal decisions later." Not sure what order to prioritize accounts? We break it down in this article.

TAX STRATEGY

Myth: "Tax planning is something I do once a year, in March."

What's the real opportunity here? Many key strategies, including charitable giving, loss harvesting, and income deferral, must be executed before December 31 to count for 2025. OBBBA has added temporary windows that close at year-end and shifted income limits for credits/deductions moving forward.

Patty Lavoie CPA shares: “Consider whether it makes sense to defer income, harvest capital losses, or stack charitable deductions. With the SALT deduction cap raised temporarily under OBBBA (up to \$40,000 for some filers), and additional tax provisions changing after 2025, this may be the last year to take advantage of current rules. The goal is to anticipate, not react, to changes ahead.” [Check out our breakdown of what’s coming here.](#)

INVESTMENT STRATEGY

Myth: “I only need to touch my investments if something major happens.”

Where’s the risk in that thinking? Letting a portfolio drift can distort your risk profile or create avoidable tax bills, especially in a volatile market environment. Rebalancing and tax-loss harvesting can protect gains and improve after-tax returns.

Jen Moran, CFP®, AEP® says: “Especially in volatile markets, trimming winners and realizing losses can keep your risk level in check and reduce taxes. But beware the wash-sale rule: The IRS will disqualify the tax loss if you buy the same investment 30 days before or after the tax loss trade. We often see missed opportunities when portfolios are not actively rebalanced or reviewed for tax planning opportunities during the year.”

ESTATE & WEALTH TRANSFER

Myth: “Estate planning is just about having a will.”

What else should be on your radar? Beneficiary designations, trust structures, and tax-smart gifting often determine how efficiently your wealth passes to the next generation, more than just what’s in your will.

Gordy Thomas CFP® shares: “With no sunset looming on the federal estate tax exemption, there’s less urgency to rush gifts before a deadline, but that doesn’t mean you should wait! Now is the time to implement more intentional wealth transfer strategies, especially if you live in a state with state estate or inheritance tax. Freezing estate values today, while locking future appreciation outside the taxable estate, remains one of the most powerful tools in advanced planning.” Curious about trust basics? [Start with this article.](#)

CHARITABLE GIVING

Myth: “Giving to charity only helps others, not my taxes.”

How can giving benefit both you and your cause? When structured strategically, donations can reduce your tax bill, offset RMDs, and support meaningful organizations at the same time.

Jordan Letendre CFP® explains: “If you’re 70½ or older, a Qualified Charitable Distribution (QCD) from your IRA can check all those boxes. Younger donors might consider donor-advised funds to bunch deductions in high-income years. Charitable planning allows you to control when you give, how much you deduct, and the impact you leave, both financially and personally.” We have practical takes on the evolving rules [here](#) and [here](#).

INSURANCE & RISK

Myth: “I set up my insurance years ago, so I’m all set.”

Why revisit coverage annually? Life changes, asset growth, and increased liabilities can leave old policies out of sync with today’s reality. Risk management can be just as dynamic as investing.

Rich Dunsmore CLU®, CLTC® shares: “Like any other asset, insurance needs to be reviewed and evaluated. End of year is a smart time to review your life, disability, annuities, and long-term care insurance. We can help you determine if your policies are performing as originally designed. In addition, insurance is often a blind spot for clients who feel well-protected, until we uncover meaningful gaps.” We recently launched the [Grimes Wealth Protection Group](#) to focus on exactly this.

CASH FLOW, SPENDING & DEBT REVIEW

Myth: “Budgeting is for people just starting out.”

Why does this matter at high income levels? Even for high earners, intentional spending and liquidity planning can improve flexibility, support giving goals, and reduce the pressure of unexpected events.

Janelle Coulman CFP® states: “Year-end is the perfect time to reconnect your financial habits with your lifestyle and values. Review what you spent in 2025, adjust your savings targets, and revisit recurring expenses or high-interest debt. Investing is important, but don’t overlook the foundation: a strong, well-funded [emergency reserve](#) gives everything else stability!”

LEGISLATIVE POLICY WATCH

Myth: “There’s plenty of time before tax laws change.”

Why pay attention now? It used to be true that many 2017 tax cuts were set to expire after 2025, but recent legislation changed that. The One Big Beautiful Bill Act (OBBBA), locks in today’s individual tax rates, extends the larger standard deduction, and even raises the federal estate tax exemption to \$15 million per person starting in 2026.

Matthew Licata, Financial Planning Associate explains: “While the feared tax hikes in 2026 were mostly averted, that doesn’t mean year-end planning is off the hook. OBBBA introduced its own deadlines, phaseouts, and new strategies, from a temporary \$40,000 SALT deduction cap to changes in energy credits, gifting thresholds, and income-based deductions. The windows may be different, but the urgency to act is still real.” [Review how much you really need](#) before retiring to get an idea of where you stand.

THE GRIMES PERSPECTIVE

Year-end planning isn’t just a financial formality, it’s a chance to make confident, deliberate moves for your family, your legacy, and your future. Taking the time to check in with your advisor now can help you capitalize on what’s left of 2025 and enter 2026 in a stronger, more prepared position. Let’s talk about what matters most for your household before December 31.

IMPORTANT DISCLOSURES:

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