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10 Smart Financial Moves to Wrap up 2023, Set Yourself Up to Thrive in 2024

As tempting as it is to leave your year-end financial to-dos until December, you're better off getting started months earlier. Now.

After all, the time between November and the new year can be a mad dash with holiday prep, travel, and parties piled on top of your typical day-to-day responsibilities.

Moreover, you may need to talk with a tax pro or a financial planner about decisions, and they could be too swamped to accommodate last-minute appointments.

Here are ten things to do to improve your financial life as the year winds down and you gear up for 2024.

1. Build your emergency fund. Be sure you have enough savings to cover an emergency without dipping into long-term investments for unexpected expenses like a job loss, a car repair, or a medical bill. How much you need is personal, but setting aside three to six months' worth of expenses is one rule of thumb. [Learn more](#) and [calculate what you might need](#).

2. Max out retirement accounts. By contributing the maximum possible to your 401(k)s, and IRAs, you may be able to lower your taxable income for 2023 and set yourself up for a brighter financial future. Also, max out your Roth IRA if you're able to. Those under 50 can contribute \$6,500, and those over 50 can contribute \$7,500 for 2023.

3. Manage Flexible Spending Accounts and Health Savings Accounts. Keep an eye on your FSA, and don't leave FSA money on the table. If you're eligible for an HSA, contribute to it. Read more about [eligibility and contribution limits](#).

4. Take your required minimum distributions (RMDs). The SECURE 2.0 Act raised the age for starting RMDs to 73. If you're required to take an RMD and don't, you could incur a penalty of 25% of the RMD amount not withdrawn. [Learn more about RMDs](#) and visit the U.S. Securities and Exchange Commission to [calculate your RMD](#).

5. Review your will and estate plans. If you don't have a will — only 46% of Americans aged 55 and over have a will, says Caring.com's [2023 Wills and Estate Planning Study](#) — create one. Furthermore, review who you've named as your medical and financial power of attorney to decide if they are still the right people for the job.

6. Review your tax withholdings. If you're withholding too little tax, you may have to pay a chunk of money at tax time. If you withhold too much, you're missing the opportunity to use or invest that money during the year until you receive your tax refund. Find the sweet spot that covers your tax dues and maximizes your return.

7. Update your insurance policies. If you've had life changes — a home addition, a new baby, a marriage, or a divorce — it's important to review your insurance policies and be sure you're appropriately covered.

8. Tweak your investments. Meet with your tax and financial planners to review your financial picture, especially if you're considering retirement soon. See how your portfolio is performing, set your savings targets, and adjust your portfolio based on your tax needs and short- and long-term goals. You may find that you're in terrific financial shape, that you need to be a more aggressive saver, or that you need to adjust your investments to be sure they're in line with your risk tolerance.

9. Consider your aging plans. Think about how and where you want to live and how well-suited your home is for aging in place. If you plan to stay where you are, consider the upgrades you'll need and start saving and planning for them. [Here's a checklist](#) to help you determine what home features you need to add.

10. Prep for the 2023 tax deadline. Since you're already going through all your financial documents, it's a good time to organize your receipts and paperwork — retirement contributions, business expenses, charitable donations, etc. — to get a step ahead on your 2023 tax prep.

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