

Financial Planning Year-End Checklist

As year-end quickly approaches, it's important to be mindful of potential year-end investment and financial planning strategies and reminders that could help you reduce your 2018 tax bill and prepare you for a successful 2019.

✓ **Consider implementing a tax-loss selling strategy**

The last buy/sell date for securities in 2018 is expected to be **Thursday, December 27**. Take some time to review your non-registered investment portfolio, and consider a sale of any securities with accrued losses to offset any capital gains realized during the year that may make sense to your portfolio. Alternatively, an aggregate net capital loss in the current year can be carried back and applied against net capital gains realized in the three preceding years, or carried forward for use in a future year. However, be mindful of the superficial loss rule when executing any tax-loss strategy.

✓ **Make charitable donations by December 31**

Be sure to make any charitable donations by **December 31**, to be able to claim them on your 2018 tax return. You may want to consider donating appreciated publicly-traded securities to make your charitable contribution. You will receive a charitable tax receipt based on the value of the securities donated, and possibly eliminate the capital gains tax that would otherwise be payable on these securities in the year that you make the contribution. Alternatively, you may choose to carry-forward your donation credit for up to five years.

✓ **Consider your philanthropic goals**

If you would like to be more strategic with your giving, speak with your BMO financial professional for more information about the BMO Charitable Giving Program. This program is a flexible and customizable longer-term philanthropic solution, and provides such benefits as the ability to make contributions at any time, in any amount.

✓ **Make any TFSA withdrawals by December 31**

If you're planning to make a Tax-Free Savings Account ("TFSA") withdrawal in the near future, consider doing so before the end of the year. This way, the amount withdrawn will be added back to your TFSA contribution limit on January 1, 2019 (rather than in 2020).

✓ **Contribute to your RRSP**

If you have not made your 2018 RRSP contribution, including any carry-forward, consider making this contribution by year-end, rather than waiting until next year to take immediate advantage of the tax deferred growth potential of the RRSP.

Also, if you turned or are turning 71 in 2018, and you still have RRSP contribution room available, you will need to make your final RRSP contribution by the end of the year, before you convert your RRSP to a retirement income plan, such as an Registered Retirement Income Plan ("RRIF"). Alternatively, if your spouse is under the age of 71, you may make a tax deductible contribution to their Spousal RRSP. As a reminder, you must select an RRSP maturity option by the end of the year in which you turn 71.

✓ **Contribute to an RESP**

The Registered Education Savings Plan ("RESP") deadline for annual contributions is **December 31**, in order to apply for the 2018 Canada Education Savings Grant ("CESG"). There is no annual contribution limit for an RESP, but there is a lifetime contribution limit of \$50,000, and a lifetime maximum of \$7,200 per beneficiary for the CESG.

✓ **Use up any expiring health plan benefits**

Many employer-sponsored health benefits plans have annual spending limits on health and dental benefits, which generally expire at the end of the year. Consider using any of these outstanding benefits before they expire at year end.

✓ **Organize your receipts**

Gather your official receipts (i.e., medical, charitable donations, etc.) into one place, so come tax season you're prepared for filing your 2018 tax return.

✓ **Review your insurance coverage**

Reflect on your current situation – how have your needs, those of your family, and others to whom you may be responsible, changed? Review your life insurance, critical illness insurance, and/or disability insurance coverage to make sure that your current coverage still meets your needs.

✓ **Review important documents**

Your personal situation can change dramatically over the course of the year, so it's important to review your estate plan, including your Will, designated beneficiaries, and Powers of Attorney to make sure that all of these are up-to-date.

✓ **Schedule a meeting with your BMO financial professional**

Connect with your BMO financial professional to discuss your investment, financial, and estate plans to ensure you're on track to meet all of your wealth management goals for the year ahead, and beyond.



Please speak to your BMO financial professional for more information about these year-end ideas. Please note that this checklist does not provide a comprehensive review of the subject matter, and it's important to consult a professional in regard to your personal situation.



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