



2010 END OF YEAR FINANCIAL TIPS

December 20, 2010

- i Offset gains and losses before 12/31/2010.
- i Defer capital gains (if you do not need the money) at least until Congress announces a permanent tax law.
- i Spread income and bonuses evenly over the next two years. Reevaluate when Congress announces a permanent tax law.
- i Convert to ROTH IRA before 12/31/2010. Pay income tax in 2011 and 2012.
- i Maximize 401(k)/retirement plan contributions in 2010.
- i Buy tax credits before 12/31/2010.
- i Make energy efficient home improvements.
- i If age 70 ½ this year, take your required minimum distribution in 2010.
- i Make an appointment with your estate planner during the first quarter of 2011. Update your estate plan being sensitive to the expiration of the \$5 million “exemption” in 2012.
- i Business owners:
 - o Pay yourself a dividend in 2010.
 - o Purchase equipment using temporary Section 179 benefits before 12/31/2010 (deduct 100% of the equipment purchase price in 2010).
 - o Check your alternative minimum tax against the new tax law; make adjustments if necessary.
 - o If you do not have a retirement plan – start one in 2010. Make a maximum contribution before 12/31/2010.

Meet with your Certified Financial Planner® professional during the first quarter of 2011. Review and update your wealth management plan (asset protection, estate, wealth transfer, retirement, and investment planning).

Prepared by: Woodward Wealth Management Group, Inc., registered investment advisor.