YEAR-END FINANCIAL AND TAX PLANNING FOR EMPLOYEES IN 2018

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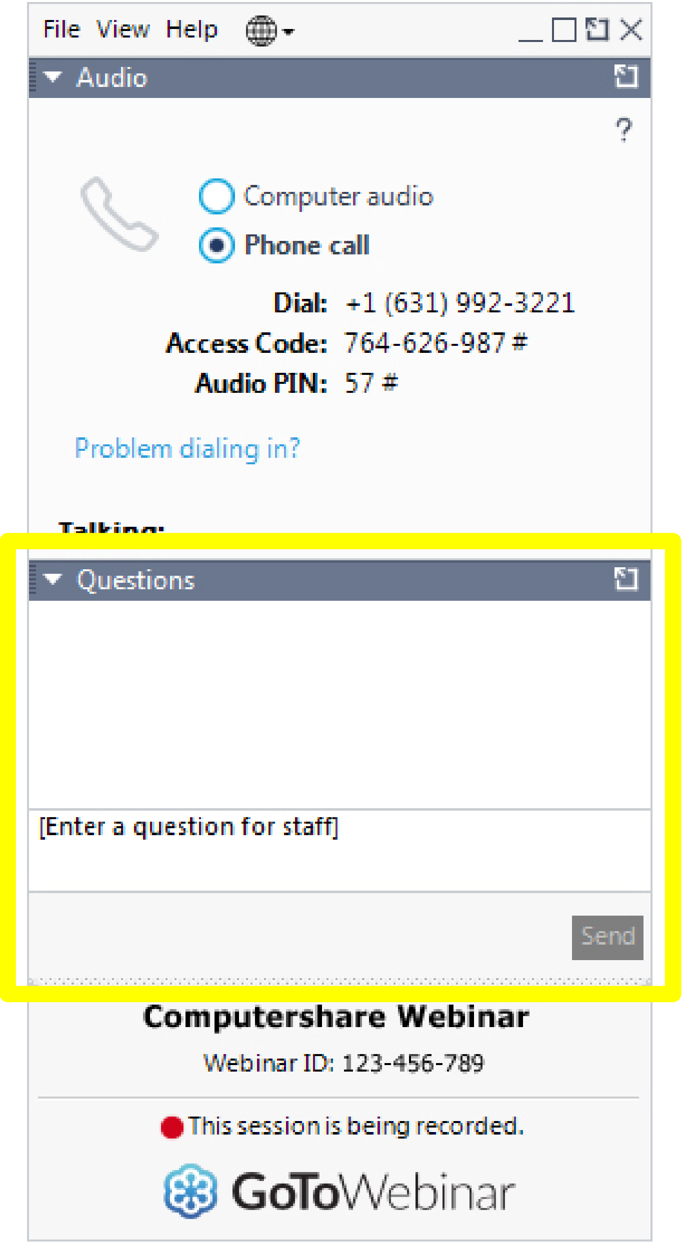

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Today’s Presenter

Bruce Brumberg, Editor-in-Chief and Co-Founder, myStockOptions.com

- Award-winning online resource center, has received a patent and has been featured in publications ranging from the San Francisco Chronicle to Money magazine.
- Human Resource Executive magazine featured myStockOptions.com as one of the 10 Best HR Products.
- Past President of the Boston NASPP chapter
- On the NASPP Advisory Board, and contributor to the Stock Plan Advisor.
- Producer of the “Think Twice” insider trading prevention videos (www.insidertradingvideos.com).
- Editor of another site on nonqualified deferred compensation at www.myNQDC.com.
- Bruce graduated from the University of Michigan and University of Virginia School of Law.

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FEATURED ARTICLE

12 Ideas For Year-End Planning With Stock Compensation (Part 1)

By the myStockOptions.com Editorial Team & Contributors

After tax reform, financial planning at year-end 2018 is more important than ever. When you are evaluating whether to exercise stock options or sell shares from vested restricted stock/RSUs or an ESPP, you want to consider the thresholds that trigger higher tax rates. This article provides guidance and ideas for year-end planning with equity compensation and company stock holdings.

The time for year-end financial and tax planning is running out!

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Become smarter about employee stock options, ESPPs, restricted stock/RSUs, and SARs. Our Knowledge Center will help you make educated decisions. Content provided by myStockOptions.com.

The time for year-end planning is here!

Time is running out for year-end financial and tax planning. Let our extensive, in-depth content help you understand the important year-end and year-beginning issues, develop the right strategies, and make smart decisions about your equity compensation before the year is out.

myStockOptions.com Knowledge Center: for stock plan participant education

Roadmap for presentation

- Tax and legal developments affecting individuals with stock compensation.
- Financial- and tax-planning issues we commonly see and are asked about.
- Communication and education for employees and executives.

Tax reform topics

- Tax Cuts & Jobs Act (TCJA): No big changes in the usual year-end planning approaches beyond those related to ISOs
- "Tax reform" is the blanket term often applied to the TCJA
- Two major types of changes:
    1. straight-up tax cuts in ordinary income rates
    2. restructured or eliminated tax provisions (itemized deductions, AMT exemption amount and phaseout points)
- Impact planning and decisions differently
- Still same number of tax brackets (lucky seven), and the LT capital gains, qualified dividends, and extra Medicare taxes remain unchanged.

What employees are wondering

- Should tax-rate predictions drive decisions?
- Should lower taxes impact decisions: still defer income and accelerate deductions?
- **In general**: tax rates should never be the only reason for exercising options or selling shares, or waiting to do so, at the end of the year.
- What should drive decisions?

Consideration of investment objectives, expectations for stock-price performance, and personal financial needs-as well as-tax considerations-should drive decisions.

Checklist for employees

- Exercises, vestings, and ESPP purchases in current year
- Holdings of stock options, restricted stock/RSUs, and company stock
- Scheduled vestings in the year ahead, including end of cycle for performance share grants and when payout occurs
- Salary contributions allocated for ESPP purchases
- Deadlines for option exercises and the expiration dates of option grants
- Expected new grants in year ahead
- Trading windows, blackouts, company ownership guidelines, and any post-vest holding period requirements
- Company and brokerage firm statements (online and/or in print for the above items)

Tax and financial-planning topics for participants: end of 2018 and start of 2019

1. Income-shifting and multi-year planning.
2. Withholding not covering taxes owed.
3. Social Security tax in 2018 and 2019.
4. Netting of income, including tax-loss harvesting.
5. Wash sale rule for selling stock at loss.
6. ISOs exercise/hold earlier in year.

Tax and financial-planning topics for participants: end of 2018 and start of 2019

7. Dates for exercise and vesting at very end of year.
8. ESPP sales after stock-price volatility.
9. Identifying shares selling.
10. Donations of company stock.
11. Executive/high-net-worth topics: hedging; 409A elections; Rule 10b5-1 plans.
12. Tax forms from company and broker in early 2019. **Alert:** IRS tax reporting forms change

Articles and FAQs on year-end topics. In a special section and on home page.

1. Income shifting and multiyear planning for tax rate changes

- Income-shifting at year-end: traditional strategy.
- Spread out NQSO exercise over year-end and year-beginning: Does exercise now push employee into higher tax bracket?
- With **restricted stock/RSUs**, tax at vesting (unless 83(b) or deferral available): you **cannot control when taxed**. Income-shifting around restricted stock.
- Added twist in 2018 with lower ordinary income rates.
- Know room remaining in current and projected brackets.
- Medicare surtax can be a tipping point in decision making.

Polling Question #1

How did tax reform impact the federal supplemental withholding rate?

a) Must now use W-4 rate

b) Still use flat rate based on third and highest tax bracket

c) Top rate adopted applies regardless of income amount

d) Withholding will be taken from paycheck, not exercise/vest

Polling Question #1

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Income thresholds

Income thresholds for tax rates and Medicare surtaxes still make it appealing to defer income.
At a minimum, know the income triggers for next higher rate.

TAX RATE / IMPACT	INCOME THRESHOLD
Income taxed at 37%	**$600,000** joint **$500,000** single (taxable income)
Other upper income tax rates: 22%, 24%, 32%, 35%	For singles, taxable income starting at: **$38,701, $82,501, $157,501, $200,201** For married joint filers, taxable income starting at: **$77,401, $165,001, $315,001, $400,001**
Capital gains (long-term) and dividends (qualified) taxed at 20%	**$479,000** joint **$425,800** single (taxable income)
3.8% Medicare surtax on investment income; additional 0.9% Medicare tax on compensation income	**$250,000** joint **$200,000** single (modified adjusted gross income)

Multi-year planning

Multi-year planning and income projections still more important than ever after tax reform

Two planning goals:

(1) keeping yearly income under the thresholds for higher tax rates and

(2) recognizing income at a future time when yearly income and tax rates will be lower.

Multi-year planning is especially valuable with equity compensation, given potential spikes in income from it.

Employees can:
a) control the timing of stock sales and option exercises
b) know when restricted stock/RSUs will vest

Medicare surtax on investment income

- 3.8% Medicare surtax applies to net investment income, such as capital gains from stock sales. Not repealed in TCJA.
- Stock compensation can trigger the surtax by pushing income over the $200K/$250K trigger points (not inflation indexed).
- Companies and brokers have no withholding or reporting obligation with the 3.8% Medicare tax on investment income.
- Companies do withhold on the additional 0.9% on comp income.

Medicare rate increase & surtax can be triggered by stock compensation

Stock compensation can trigger the Medicare tax 0.9% rate withholding increase and 3.8% surtax:

- exercise of nonqualified stock options
- vesting of restricted stock or RSUs
- grant of restricted stock when 83(b) election
- purchase through nonqualified ESPPs

Tax-qualified ESPPs and ISOs: No withholding at purchase or exercise and no Medicare tax at all, though the income can increase overall compensation income.

Example with NQSO exercise: Medicare surtax

- Employee and spouse expect to have modified adjusted gross income (MAGI) of $175,000 in 2018 and $250,000 in 2019.

- Includes about $40,000 per year in dividends and capital gains. Not subject to the 3.8% Medicare surtax in 2018 because MAGI is below the $250,000 threshold.

- If exercise NQSOs in 2019 and recognize ordinary income of $50,000, this additional amount will push MAGI above the $250,000 threshold. Would have to pay the 3.8% tax on the $40,000 in investment income.

- Extra $50,000 of income will not trigger these taxes if exercise occurs in 2018, as MAGI for the year will still be under $250,000.

Which year is better for exercise?

	2018	2019
Modified AGI	$175,000	$250,000
Dividends & Capital Gains Included	$40,000	$40,000
Income from Exercise NQSOs (which year better?)	$50,000	$50,000
Modified AGI + NQSO exercise	$225,000	$300,000
Subject to Medicare Surtax	No	Yes

General rules on when exercise in 2018 makes more sense

- You were already planning to exercise options in next few years. Look at scenarios with tax rate changes.

- Options close to expiration.

- Options are deep in the money (big difference between market price and lower exercise price).

- Plan to change jobs soon: vested options need to be exercised soon after departure.

- Need to diversify.

- Big exercise next year would trigger 3.8% Medicare surtax (and other higher taxes).

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Example with restricted stock: Medicare surtax

- Employee and spouse expect to have $200,000 of adjusted gross income in 2018 and again in 2019.
- They hold stocks and mutual funds with a gain of about $40,000. They intend to sell in 2019 to fund daughter's college tuition.
- However, they have restricted stock that will vest in 2019 and project that the shares will provide $50,000 of compensation income. Additional income will push them above the $250,000 threshold.
- If they sell the stocks and funds in 2018, instead of 2019, they will avoid the 3.8% tax on the $40,000 of investment income.
- Could repurchase stock to reset the basis.

Which year better for selling stock?

	2018	2019
Modified AGI	$200,000	$200,000
Unrealized Capital Gains	$40,000	$40,000
Income for RSU Vesting	$0	$50,000
Modified AGI + Capital Gains + RSU Vesting	$240,000	$290,000
Subject to Medicare Surtax	No	Yes

Resetting basis/harvesting stock gains with sale

- Paying higher 20% capital gains tax rate and/or the Medicare surtax varies yearly
- **Selling stock with long-term gains only in years when income will not trigger those higher tax rates.**
- Selling not to diversify or meet cash needs.
- Selling appreciated stock to then repurchase same stock.
- No problems with wash sale rule, as selling at a gain.
- Paying taxes at lower rates now (15% and no Medicare surtax) and get new basis
- **Example:**
  - Own company stock now worth $100,000.
  - Tax basis $60,000.
  - Sell now ($6,000 taxes on $40,0000 at 15% rate).
  - Buy back at same time (basis $100,000 for future sale).

Issues to understand when resetting basis and harvesting stock gains

- Check size of capital-loss carry-forwards or losses from this year.
- Prior example: may have $40k of losses to use up, so can wait on sale until future.
- Need funds to pay taxes; consider the value of that money.
- Step-up in basis at death similarly eliminates tax on the gain. Want to wait on sale.
- Disqualifying dispositions for ESPPs and ISOs.
- Insider-trading rules and blackouts may prevent sale. Unless Rule 10b5-1 plan in place, may be too late now to set it up.

2. Withholding rate for stock compensation

Withholding applies to NQSOs, restricted stock/RSUs, SARs, nonqualified ESPP

Flat Withholding Rate after TCJA	Supplemental Income
22% (prior 25%)	Up to $1 million
37% (prior 39.7)	Over $1 million

Employee Confusion: This withholding rate does not necessarily cover the actual amount owed for income recognized at exercise, vesting, or purchase. **2018:** Income point where **24%** tax bracket begins: $82,501/$165,001

What employees could do: Put money aside to cover taxes; pay estimated taxes; or change withholding on salary by filing new W-4.

- FASB accounting rule change on net-settled grant withholding does not override IRS
- Companies may need to amend stock plan to allow share withholding above minimum statutory rates

Polling Question #2

What will happen to the wage base for the 6.2% Social Security Tax in 2019?

a) Under tax reform the income ceiling goes away

b) Under tax reform it becomes the ceiling limit of 3rd tax bracket

c) It increases from $128,400 in 2018 to $132,900 in 2019

d) It stays at $128,400 in 2019

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3. Social Security

- Social Security wage-base maximum: Increase in 2019 to $132,900 (Medicare uncapped). No Social Security tax (6.2%) is owed on yearly income above that threshold.

Social Security Wage-Base	Maximum Withholding
$128,400 (2018)	$7,979.40
$132,900 (2019)	**$8,239.80**

- **Year-end strategy:** Income already exceeds the Social Security wage, by exercising NQSOs or SARs in December **you can avoid the Social Security tax**.
- Save the increase in 2019 Social Security tax by exercising stock options in 2018 rather than 2019, assuming not pushed into higher income tax bracket.
- Wait until January, wage base for the year starts at $0, and SS tax will again apply on option exercise spread or vesting value of restricted stock up to the cap.
- Beneficiaries can avoid tax by exercising in year after death

4. Netting of capital gain/loss

- Capital gains and losses net each other out on Schedule D. Matching losses with gains is called “tax-loss harvesting.”
  Year-end strategy of great focus. No Change with Tax Reform.

- Up to $3,000 (joint filers) in losses can be netted against ordinary income, with remainder carrying forward.

- **Example:**

  - Sell stock in December at a short-term capital loss of $9,000.

  - Earlier in year sold company shares for short-term capital gain of $5,000 (reported on Form 8949)

  - Two transactions net each other out on Schedule D, leaving $4,000 of unused losses (assuming no other sales or loss carry-forwards).

  - $3,000 is used to offset ordinary income on 2018 tax return and $1,000 is carried forward.

Two myths about netting of income with stock options, restricted stock, and ESPPs

Myth: It's compensation that involves stock, so all capital gains or losses.

Truth: When stock is sold immediately upon option exercise, restricted stock vesting, or ESPP purchase, ordinary income is generated, not capital gain income. **Capital gains are created only after holding stock**.

Exception for down market: When sell ISO and tax-qualified ESPP stock at price lower than purchased, can be all short-term capital loss.

Example:

- ISOs exercise price of $10
- Exercised when market price is $12
- Sold in same year at $8
- No ordinary income, and $2 in short-term capital loss
- If sell at $11, $1 in ordinary income, and no capital loss

Two myths about netting of income with stock options, restricted stock, and ESPPs

Underwater stock options myth: Negative spread at exercise can be netted against income from exercising in-the-money options.

Example:

- 10,000 NQSOs with $10 exercise price.
- Exercise 5,000 when market price is $15. Generates $50,000 in ordinary income.
- Exercising the other 5,000 when market price is $5 does not generate $50,000 in ordinary income loss.
- If sold the stock from the second exercise at that point, would have $50,000 in short-term capital loss. These different types of taxable "income" do not net each other out directly.

5. Wash sale rule: selling stock at loss

- With ongoing volatility think company stock is going to bounce back or go higher: **be careful about quickly repurchasing company stock sold at a loss** (could buy another stock in same industry).

- Sell company shares for a loss and buy more company shares within 30 calendar days before or after the loss transaction:

  › Federal tax code will at least temporarily deny you the ability to claim your loss on the sale for the number of shares replaced.

  › Loss will be carried over to increase the tax basis AND holding period of the replacement shares.

5. Wash sale rule: selling stock at loss

BUY	2/1/18	100 shares @ $50	=	$ 5,000
SELL	3/31/18	100 shares @ $45	=	$(4,500)

Results in **$500** loss

BUY	4/3/18	120 shares @ $47	=	$ 5,640

Result:

- Disallowed loss added to basis of repurchased shares
- Adjust holding period of repurchased shares
- Create sublots

BUY 2/1/18	100 shares @ $52	=	$ 5,200
BUY 4/3/18	20 shares @ $47	=	$ 940

6. ISO exercise/hold earlier in year: AMT review

- **With tax reform much less likely to trigger AMT.**
- Bigger cushion between ordinary income tax and AMT
- Will also recover AMT credit much faster.
- ISO spread one of the remaining items that can trigger AMT, given SALT cap and elimination of personal exemptions
- AMT planning remains important for employees with ISOs.
- Table from myStockOptions.com:

Filer status in 2018	**AMT income exemption amount**	**Exemption amount phaseout starts**	**Exemption amount phaseout ends**	**Point where rate rises from 26% to 28%**
Single	$70,300	$500,000	$781,200	$191,500 *(married filing separately: $95,750)*
Joint	$109,400	$1,000,000	$1,437,600	$191,500

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6. ISO exercise/hold earlier in year: AMT review

- It is important to calculate whether you should sell the stock this year to eliminate any alternative minimum tax (AMT) on the spread at exercise.
- **Not doing analysis near the end of the year is a big mistake**: generating taxes on gains you may never see if stock price dropped.
- If you sell the stock, to avoid problems with the wash sale rule for ISOs (it's even worse) **do not repurchase company shares** within 30 days after the sale.
- **Other year-end AMT/ISO strategies**: (1) exercising NQSOs to bump up ordinary income; (2) exercising ISOs up your AMT cushion; (3) exercising at beginning of next year.

Strategies and twist to year-end ISO analysis

- Exercise ISOs in the first quarter of a year.
- **Why?** Stock price drops, sell the ISO shares later during the same calendar year and avoid paying AMT on paper profits. Stock price rises, hold the shares. All long-term capital gains at sale.
- Need to do multi-year income projection. Exercises of ISOs in early 2018 for planned stock sales in 2019: 23.8% in taxes instead of 15% tax based on total income.
- In some situations, better to sell in a disqualifying disposition than hold for long-term cap gain.

Evaluate the impact of the current top capital gains rate, along with the Medicare surtax on investment income.

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7. Exercise and vesting dates near year-end

- Look at stock plan docs for last business day in year when options and SARs can be exercised. **Is Monday Dec 31st last BD of 2018?**

- All **completed** exercises with a 2018 exercise date and all restricted stock with a 2018 vest date included in 2018 taxes and W-2. Will count towards Social Security income limit in 2018.

- Does not matter that company sends taxes to the IRS in early 2019.

- **Stock transfer for gifts and donations need to be completed and received by December 31**. Merely approving the transfer is not enough.

8. Sale of tax-qualified ESPP stock

- **Qualifying disposition (**satisfy the ESPP holding-period requirements): still ordinary income for the portion of the gain equal to your company's discount (e.g. 5%, 10%, or 15%) from the offering/start-date price, *regardless of the actual purchase price of the stock and whether or not there was a lookback*.

- Ordinary income is this amount or the actual gain at sale, whichever is less. Stock sold at a loss, no ordinary income and just capital loss.

- **Disqualifying disposition** (sale immediately or within one year): *the spread at purchase* is ordinary income, even when sold below purchase price.

- Breakdown of ordinary income/capital gains can vary with a tax-qualified ESPP.

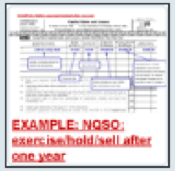
8. Sale of tax-qualified ESPP stock when volatile

- Offering start price **$20**, purchase-date price **$10**. The 15% discount results in $**8.50** purchase price. **See table for example on next slide**.
- **Usually better to have capital gains than ordinary income** because you can net gains against losses.
- **Example with sale when stock price at $15**: Hold long enough: have $3 in ordinary income and $3.50 in capital gain. Sell sooner: have $1.50 in ordinary income and $5 in capital gain.
- **Example with sale when stock price at $5:** If wait to sell stock one year after it drops to $5, will have $3.50 short-term capital loss and no ordinary income. If sell before one year, will have $1.50 in ordinary income and $5 in short-term capital loss.
- Taxation with a qualified Section 423 ESPP is confusing!
- See section **ESPPs: Taxes Advanced** on myStockOptions.com and in Knowledge Center

8. Sale of tax-qualified ESPP stock when volatile

Offering start $20, purchase-date $10, $8.50 purchase (15% discount)

Stock price at sale	Sale after holding period met	Sale before holding period met
$15	$3 in ordinary income and $3.50 in capital gain	$1.50 in ordinary income and $5 in capital gain
$5	$3.50 short-term capital loss and no ordinary income	$1.50 in ordinary income and $5 in short-term capital loss



Year-End Strategies For Employee Stock Purchase Plans

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Key Points

1. *Decide about ESPP enrollment in the new year and the amount of your salary to contribute for share purchases.*
2. *If your income will trigger the Medicare surtax next year and you have company stock from an ESPP purchase that you intend to sell soon, you may want to evaluate whether to sell this year rather than next.*
3. *When you sell shares from a tax-qualified ESPP, the breakdown of ordinary income and capital gains can vary according to a number of factors. For ESPP stock sales, on which there is no withholding, be sure you put aside enough money to pay the taxes you will owe with your tax return.*

When you consider year-end planning, don't forget to review ESPP shares you may hold. Below we outline issues and strategies to think about. Of course, each scenario and its strategy will vary according to your own circumstances and the outlook for your company's stock price. The end of the year can also be a time to decide about ESPP enrollment in the new year and the amount of your salary to contribute for share purchases. Plus, you may decide to increase your contributions for the last few months of this year.

The Tax Cuts & Jobs Act, which took effect in 2018, brought changes that affect stock compensation and ESPPs, including modifications in the income tax rates and income ranges for each tax bracket, plus a reduction in the top rate (see the related article). However, tax reform should not be the controlling factor in decision-making at year-end.

The end of the year can be a good time to decide about ESPP enrollment in the new year and the

Most experts say that tax rates should never be the only reason for selling shares, or waiting to

9. Identifying shares: examine standing orders

- Default standing order in your account for the shares to use at sale is "first in, first out" (FIFO).

- Employees may hold various lots of company stock from stock option exercises, vested restricted stock/RSU grants, and/or ESPP purchases.

- The tax basis and the tax rules for each lot will be different.

- FIFO sale of stock could trigger larger taxable gains (or even a disqualifying disposition of ISO or ESPP shares).

- **Need to change standing order *before* settlement date**: identify shares sold. Previously, you could get away with just indicating the sold shares on your tax return.

Polling Question #3

After tax reform, when do donations of company stock result in a tax deduction for the fair market value?

a) Stock held at least one month

b) Stock held more than one year when itemizing deductions

c) Stock donated from a tax-qualified plan (e.g. ESPP)

d) Stock has FMV of less than $100,000 when itemizing deductions

Polling Question #3

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b) Stock held more than one year when itemizing deductions

c) Stock donated from a tax-qualified plan (e.g. ESPP)

d) Stock has FMV of less than $100,000 when itemizing deductions

10. Donations of company stock

- Held the appreciated stock for more than one year, at the time of the transfer to charity or donor advised fund get a **tax deduction for the fair market value of the stock** (not for your cost basis). Daily price volatility impacts FMV.

- Avoid disqualifying dispositions with ESPP and ISO stock.

- **Bigger donation and tax deduction with stock than cash**. Not paying capital gains tax at 15%/20% (and Medicare surtax at 3.8%) and donating net proceeds.

- The TCJA also raised the standard deduction to $12,000 for individuals and $24,000 for joint filers, plus limited other deductions like SALT. On your tax return, take the standard deduction or itemize.

- Bunching donations in single year to get over the $12,000/$24,000 point where it makes sense to itemize.

Better to donate appreciated shares held long-term than cash

Example: Own 10,000 shares trading at $10 per share received at $1 per share. Should you donate the $100,000 of company stock or sell the stock first and then donate the cash proceeds?

	Donation of stock	Donation of cash
Federal and state income tax rate	40%	40%
Tax rate and amount for selling stock	N/A	15% / $13,500 (0.15 x $90,000)
Net amount to donate	$100,000	$86,500
Tax savings (40% rate)	$40,000	$34,600

11. High net worth/executive topics

- Rule 10b5-1 plans when executives know they plan to sell at year-end.
- Hedging of company stock: What is company policy and whether any prohibition?
- Deadline for 409A/nonqualified deferred compensation (NQDC) elections. Applies to RSUs with deferral election and certain performance-based stock plans, not just salary and cash bonus
- Elections needed by year-end for income that would be received in 2019. Website on nonqualified deferred compensation at www.myNQDC.com.

12. Tax forms from company and broker in early 2019

- Form W-2 and 1099-MISC; Form 3921 for ISOs; Form 3922 for ESPPs.
- Form 1099-B for stock sales from broker.
- For grants made in 2014 and later years**, brokers are not permitted** to report compensation/W-2 income part of basis.
- Need to know: (1) how broker is handling basis reporting for pre-2014 grants; (2) whether it is providing any supplemental information on the basis to employees.
- No changes in 1099-B and tax return forms 8949 and Schedule D. Big change in Form 1040 and new schedules (See next slide).
- Company and broker: additional materials on how to use the information on the forms.

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Form 1040 Changes & New Reporting Schedules Added

- The IRS condensed Form 1040 from 79 lines to just 23 lines, with six new schedules.

- **Stock-sale reporting.** Form 1040 no longer has a line labeled "Capital gain or (loss)." Instead Schedule D totals entered on new Schedule 1. Totals from Schedule 1 go on Form 1040.

- **AMT reporting.** No longer directly reported on Form 1040 from Form 6251calculation. Instead entered on Schedule 2. Totals from this schedule go into Form 1040.

- See myStockOptions article in Tax Center: **Tax Season 2019: What You Need To Know About The New Reporting Rules And Tax Rates**

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EXAMPLE: NQSO: exercise/hold/sell after one year

What are some key planning strategies at year-end 2018 for restricted stock, RSUs, and stock options?

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Tax reform, in the Tax Cuts & Jobs Act (TCJA), took effect at the start of 2018 (see the related article). Its impacts on stock compensation include:

- modification in the income tax rates and income ranges for each bracket, including a reduction in the top rate
- changes in the calculation of the alternative minimum tax (AMT)

These tax changes should not be the controlling factor in decision-making at year-end 2018. Many experts say that tax rates should never be the only reason for exercising options or selling shares, or waiting to do so, at the end of the year. Instead, make investment objectives and personal financial needs, not tax considerations, the driver of your decisions.

For 2018 income, the Affordable Care Act will continue to affect year-end planning, particularly for individuals with annual income of $200,000 or more.

Checklist To Review

Decisions in year-end financial and tax planning depend on:

- your situation, including short-term cash needs that may prompt you to sell stock and/or exercise options
- whether your decisions should be entirely tax-driven
- what you did earlier in the year
- your outlook for both your comp

FAQ on year-end planning. For a PDF to distribute, email:
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