MARINER

Year-End Tax Planning & Stock Awards

As we approach the end of the calendar year, this is a great time to review your tax plan with your financial advisor and/or CPA.

A few items you should consider:

- Are you maximizing your pre-tax deductions (401(k) savings plan, HSA, IRA, etc.)?
- Are you making charitable contributions? If so, are you making contributions in the most tax-efficient way?
- Do you have any investments with an unrealized loss? If so, you may want to consider tax-loss harvesting by selling some of those stocks before year-end. You can use $3,000 of realized losses to offset ordinary income while the excess losses are carried forward on your tax return indefinitely.
- Do you have enough tax withholdings to avoid an underpayment penalty (aka "safe harbor")? If not, you may need to adjust your withholdings or make quarterly estimated tax payments.
- Gifting appreciated assets versus cash. There are several ways to do this, but the most common is through a donor-advised fund (DAF).

RSU Vesting

For those who received restricted stock units (RSUs) from their long-term incentive plan (LTIP) election in 2021, the RSUs (and stock options) will be vesting on October 1, 2024.

At the time of vesting, your RSUs will be subject to ordinary income taxes. For example, if you have 100 shares of RSUs vesting on 10/1/2024, assuming the P&G stock price is $175, the taxable income will be $17,500. In most cases, P&G automatically withholds 22% for federal taxes and supplemental rate for state taxes on the supplemental wages.

You should consider your cash flow needs and your overall investment concentration in P&G stock to determine if you should sell immediately upon vesting. Stock options are not subject to tax at the time of vesting, only when they are exercised and/or sold.

For more information visit: **PG.marinerwealthadvisors.com**