McConnell Jones

2026 YEAR-END TAX PLANNING

CLIENT ACTION CHECKLIST

Client / Household		**Date reviewed**	
Advisor		**Next meeting**	

How to use this checklist: Mark the items that may apply, gather the listed information, and discuss timing before taking action. Not every strategy is appropriate for every taxpayer.

1 Start with the tax projection

Status	Planning item	What to gather / confirm
☐	**Run a 2026 federal and state projection**	Most recent paystubs; year-to-date business results; investment income and gains; retirement distributions; estimated payments; major 2026 changes
☐	**Review withholding and estimated taxes**	Federal and state withholding; 2026 estimates paid; expected fourth-quarter income; prior-year safe-harbor information

2 Retirement, health, and benefit elections

Status	Planning item	What to gather / confirm
☐	**Increase workplace plan deferrals**	Current 401(k), 403(b), or 457 contributions; remaining payroll dates; employer match; age-based catch-up eligibility
☐	**Confirm Roth catch-up treatment**	2025 FICA wages and plan administration if age 50+ and making catch-up contributions
☐	**Evaluate IRA contribution or Roth conversion**	IRA balances and basis; projected tax bracket; cash available for tax; effect on AGI and other thresholds
☐	**Maximize HSA contributions**	HDHP eligibility; employer contributions; self-only/family coverage; age 55+ catch-up
☐	**Use FSA balances and review 2027 elections**	Health FSA deadline/carryover; dependent care costs; open-enrollment elections

3 Charitable and family giving

Status	Planning item	What to gather / confirm
☐	**Choose cash, appreciated securities, or a donor-advised fund**	Giving history; unrealized gains; itemized deductions; charity eligibility; desired timing
☐	**Consider bunching multiple years of gifts**	Expected deductions for 2026 and later years; donor-advised fund options; 0.5% AGI floor for itemizers
☐	**Evaluate a qualified charitable distribution**	Age 70½+; IRA custodian procedures; RMD status; eligible charity and direct-payment instructions
☐	**Complete annual exclusion gifts**	Recipients; prior gifts during 2026; direct tuition/medical payments; 529 contributions

General educational information only. Consult your tax advisor before acting.

4 Investments and capital gains

Status	Planning item	What to gather / confirm
☐	**Review realized and unrealized gains and losses**	Year-to-date brokerage gain/loss report; capital-loss carryforwards; planned transactions
☐	**Harvest losses without triggering wash sales**	Positions to sell; purchases within 30 days before/after sale; substantially identical holdings in other accounts
☐	**Consider realizing long-term gains in a lower-income year**	Projected taxable income; holding periods; state tax; effect on credits and Medicare premiums

5 Business-owner year-end actions

Status	Planning item	What to gather / confirm
☐	**Place qualifying equipment in service**	Purchase date, invoice, financing, business-use percentage, and date ready and available for use
☐	**Protect and model the QBI deduction**	Projected business profit; W-2 wages; qualified property; owner compensation; SSTB status; taxable income
☐	**Set up or fund a retirement plan**	Entity type; payroll calendar; employee census; plan documents; contribution objectives
☐	**Clean up year-end information reporting**	Vendor list; W-9s; payment totals and methods; employee tip/overtime information

6 Pass-through entity tax election screening

PTET rules vary significantly by state. An election that benefits one owner can create a different result for another, so the analysis should be completed at both the entity and owner levels.

Status	Planning item	What to gather / confirm
☐	**Confirm the entity and state are eligible**	Partnership or S corporation status; states where the entity files; owner residency; ownership percentages
☐	**Identify election and payment deadlines**	State-specific election method; irrevocability; estimated-payment rules; extension treatment; owner-consent requirements
☐	**Model federal and state benefit**	Projected entity income; state PTET rate; individual SALT deduction; owner credits/deductions; cash-flow timing
☐	**Test interaction with QBI and SSTB limits**	QBI before PTET; taxable income; W-2 wages/property limits; SSTB status; phase-out exposure
☐	**Assess multistate owner consequences**	Resident credits; nonresident filing obligations; composite returns; credit mismatches; tiered entities

7 Documents to send your tax advisor

Status	Planning item	What to gather / confirm
☐	**Income and withholding**	Most recent paystubs; retirement distributions; Social Security; investment income; sale documents; rental and K-1 estimates
☐	**Business information**	Current profit-and-loss and balance sheet; fixed-asset purchases; payroll; owner distributions; state filings and PTET payments
☐	**Deductions and credits**	Property and state taxes; mortgage interest; charitable gifts; education, dependent care, and energy/vehicle documents, if relevant
☐	**Prior-year carryovers and notices**	Capital losses; charitable carryovers; passive losses; credit carryovers; IRS/state notices

Your three priority actions

Priority	Action	Owner	Due date
1			
2			
3			

Questions for your planning meeting

- Which actions provide a current-year benefit versus merely shifting tax to another year?
- What federal, state, cash-flow, or compliance costs could reduce the expected benefit?
- Which decisions are reversible, and which elections become binding once made?
- What must be completed by December 31, and what may be completed by the filing deadline?

IMPORTANT This checklist is a planning aid based on the 2026 Year-End Tax Planning webinar. Tax results depend on individual facts, entity structure, state law, elections, and timing. Do not make elections, execute transactions, or change payroll solely from this checklist. Obtain advice for your specific situation.

Contact Our Experts

Have questions or ready to start planning? Our team is here to help. Call one of our offices below or visit mcconnelljones.com/contact/locations/ to send us a message and schedule an appointment.

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