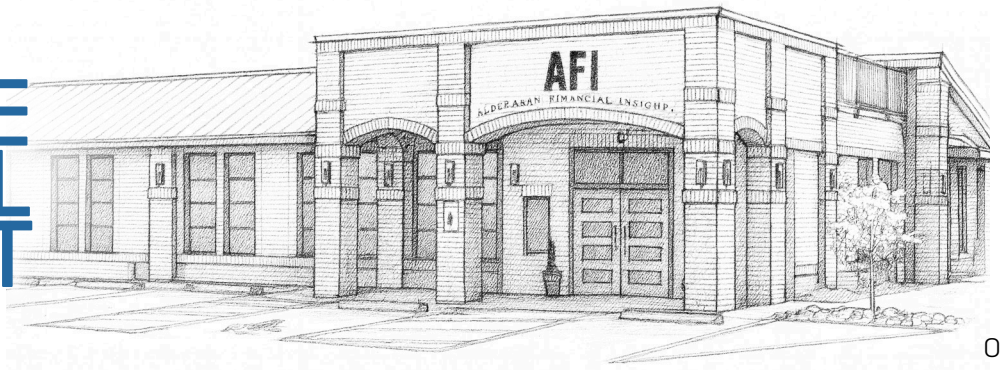
TIME WELL SPENT



AFI

October 2026

3 Decisions That Matter BEFORE December 31st

As the end of the year approaches, most of us start thinking about the holidays, spending time with family, and making plans for the year ahead. Financial planning may not be at the top of that list, but there are a few important decisions worth addressing before December 31st.

Some financial decisions can be made at any time. Others have deadlines, and once the calendar turns over, certain opportunities are gone. Taking a little time now to review your situation can make a meaningful difference when tax season arrives.

Here are three areas we believe deserve attention before the end of the year.

1. Retirement Contributions and Distributions

For those who are still working, the final months of the year are a good time to review retirement contributions. If you haven't contributed as much as you intended to your employer-sponsored retirement plan, there may still be an opportunity to increase contributions through your remaining paychecks. Depending on your circumstances, those additional contributions could also reduce your taxable income.

For those who are retired, the focus may be on required minimum distributions, commonly called RMDs. Once you reach the applicable age, the IRS generally requires you to withdraw a certain amount from your traditional retirement accounts each year. Failing to take the required amount can result in significant penalties.

While some retirement contributions can be made after December 31st and still count toward the current tax year, most annual RMDs must be completed by year-end. Reviewing these items now provides time to make adjustments without rushing through important decisions during the holidays.

2. Making the Most of Charitable Giving

Many of our clients support charities, churches, and other organizations that are important to them. While the primary purpose of charitable giving is to support those causes, the way you make those gifts can also have an impact on your taxes.

For those with RMDs to satisfy, qualified charitable distributions can be an effective strategy. Eligible gifts made directly from an IRA to a charity can satisfy RMD requirements without increasing taxable income.

Another opportunity involves donating appreciated investments rather than cash. In certain circumstances, giving shares of stock that have increased in value can allow you to support a charity while avoiding the capital gains taxes that might have resulted from selling those investments first. Depending on your tax situation, the gift may also qualify for a charitable deduction.

The important point is that charitable giving doesn't always have to begin with writing a check. A little planning can sometimes allow you to give more effectively without increasing the amount you're giving.

3. Tax-Loss Harvesting

Nobody enjoys seeing an investment decline in value, but those losses can sometimes create opportunities.

Tax-loss harvesting involves selling investments that have declined in value to realize losses that can be used to offset capital gains elsewhere in your taxable investment portfolio. If your realized losses exceed your gains, you may also be able to deduct a limited amount against ordinary income and carry unused losses into future years.

This can be particularly valuable in years when you've sold appreciated investments, rebalanced your portfolio, or realized gains for other financial reasons.

Of course, taxes should never be the only reason to buy or sell an investment. We believe investment decisions should always begin with your long-term financial goals. Tax-loss harvesting is simply another tool that can help make those decisions more efficient. It's also important to be mindful of IRS wash-sale rules when purchasing replacement investments.

Planning Ahead Makes a Difference. The common thread among these three opportunities is timing.

Retirement distributions, charitable contributions, and investment transactions can all have consequences that extend well beyond December 31st. Addressing them before the end of the year gives you more flexibility and more control over the outcome.

Not every strategy will make sense for every person, and not every year will present the same opportunities. The goal isn't to make financial decisions simply because the calendar is changing. It's to make sure important opportunities aren't overlooked.

At AFI, we believe good financial planning is an ongoing process, not something that happens only when it's time to file a tax return or review an investment statement.

A few thoughtful decisions today can put you in a better position for the year ahead.

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KINGSPORT CHAMBER.

THE KOSBE's AWARD WINNER

This material is for informational purposes only and does not constitute specific tax advice. Clients should consult their tax advisor regarding their individual circumstances.

THE AFI IMPACT

COMMUNITY - CONNECTION - COMMITMENT

AMELIA THE WIND: A NIGHT OF IMPACT

AFI was honored to celebrate an incredible evening with Amelia the Wind! With AFI's Brian Brummett serving on the Board of Directors, this cause holds a special place in our hearts. The successful fundraiser awarded an amazing $49,000 in grants to eight organizations supporting children and animals throughout our region. We're proud to stand behind a mission that brings our community together and makes such a meaningful difference. Congratulations to everyone who helped make this special evening possible!

GOLFING FOR STUDENT SUCCESS

AFI was proud to participate in the 3rd Annual Northeast State Golf Tournament at Cattails at MeadowView in Kingsport! More than 100 golfers came together for a beautiful fall day supporting student scholarships and educational opportunities. It was a wonderful chance to connect with our community while contributing to a cause that invests in the next generation. We're grateful to Northeast State, the sponsors, and everyone who helped make this year's tournament such a success!

DID YOU KNOW?

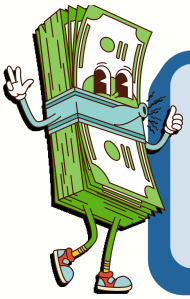
Not Every Retirement Deadline Falls on December 31st. While most required minimum distributions must be completed by December 31st, some retirement contributions offer more flexibility. Eligible IRA contributions for 2026 can generally be made until April 15, 2027.

Knowing which deadlines apply can help you avoid penalties and take advantage of valuable year-end planning opportunities.

THE HIDDEN COST OF WAITING

Year-end financial planning doesn't have to happen all at once. Reviewing retirement contributions, charitable giving, and investments in October gives you time to make thoughtful decisions.

Waiting until December can create unnecessary pressure and limit your options. A simple conversation with your financial advisor today could make a meaningful difference tomorrow.

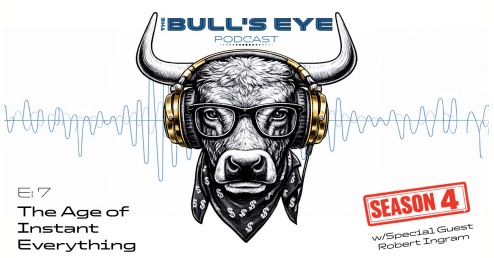


Money, In Plain English: Qualified Charitable Distribution (QCD)

What it is: *A direct donation from an eligible IRA to a qualified charitable organization.*
Why it matters: *It can satisfy required distributions without increasing taxable income.*
When it usually comes up: *During retirement planning or year-end charitable giving.*

THE AGE OF INSTANT EVERYTHING | W/ROBERT INGRAM

We want better returns. Faster results. Immediate answers. And when "good" actually happens… somehow it doesn't always feel good enough. In this episode of The Bull's Eye Podcast, Josh and Brian are joined by AFI's Robert Ingram for a conversation about the expectations shaping the way we live and the way we think about money. From Tennessee vs. Texas and the passing of Dolly Parton to gambling, investing, instant gratification, and what it really means to support clients through an increasingly impatient world, this one covers a lot of ground.

Sometimes the hardest thing to do is simply give a good thing time to work.

Welcome to The Age of Instant Everything.