

# Year-end strategies to lower taxes



## Philanthropy

Take advantage of the charitable income tax deduction.

- Group deductible contributions (so that itemized deductions exceed the standard deduction).
- If eligible, take advantage of Qualified Charitable Distributions (QCDs) from your IRA. They reduce adjusted gross income.
- QCDs also count towards your required minimum distribution amount.



## Gift and trust planning

Don't waste 2025 annual exclusions to transfer more wealth.

- Use Annual Exclusion gifts before year end; leverage the Annual Exclusion from the Generation-skipping Transfer Tax by funding qualifying trusts for grandchildren and more distant descendants.
- Annual exclusion gifts can be used to fund life insurance trusts with "Crummey" powers.
- Annual Exclusion gifts, including frontloading, can be used to fund 529 Plan accounts.



## Tax loss harvesting

Generate capital losses to offset capital gains.\*

- Up to \$3,000 of unused capital losses may be deducted against ordinary income.
- Beyond that, unused capital losses may be carried forward to another tax year.

*\*Beware of the wash sale rules (wait 31 days before repurchasing the same or a substantially similar asset).*

## Qualified plans

Increase retirement savings and reduce taxable income.



- Fund qualified plans to the extent possible up to annual limits. At a minimum, contribute enough to receive your employer's full match.
- It may be possible to save future taxes by converting a traditional IRA to a Roth IRA.\*

*\*A Roth conversion causes an immediate income tax. Before converting, determine if tax savings can be generated over time.*

## Tax credit

Offset tax, dollar for dollar.



The following tax credits have been repealed as of the effective dates noted below. Time is running out if you intend to purchase any of the items that currently qualify for a tax credit.

Credit	No longer allowed for
Previously Owned Clean Vehicle Credit	Vehicles acquired after September 30, 2025
Clean Vehicle Credit	Vehicles placed in service after September 30, 2025
Qualified Commercial Clean Vehicle Credit	Vehicles placed in service after September 30, 2025
Energy Efficient Home Improvement Credit	Property placed in service after December 31, 2025
Residential Clean Energy Credit	Expenditures made after December 31, 2025
New Energy Efficient Home Credit	New energy efficient home acquired after June 30, 2026



## Plan now

Each family's tax and financial circumstances are different. We encourage you to consult with your tax, legal and financial advisors with respect to your situation.

---

These materials are furnished for the use of PNC and its clients and do not constitute the provision of investment, legal, or tax advice to any person. They are not prepared with respect to the specific investment objectives, financial situation, or particular needs of any person. Use of these materials is dependent upon the judgment and analysis applied by duly authorized investment personnel who consider a client's individual account circumstances. Persons reading these materials should consult with their PNC account representative regarding the appropriateness of investing in any securities or adopting any investment strategies discussed or recommended herein and should understand that statements regarding future prospects may not be realized. The information contained herein was obtained from sources deemed reliable. Such information is not guaranteed as to its accuracy, timeliness, or completeness by PNC. The information contained and the opinions expressed herein are subject to change without notice. **Past performance is no guarantee of future results.**

Neither the information presented nor any opinion expressed herein constitutes an offer to buy or sell, nor a recommendation to buy or sell, any security or financial instrument. Accounts managed by PNC and its affiliates may take positions from time to time in securities recommended and followed by PNC affiliates. Securities are not bank deposits, nor are they backed or guaranteed by PNC or any of its affiliates, and are not issued by, insured by, guaranteed by, or obligations of the FDIC or the Federal Reserve Board. Securities involve investment risks, including possible loss of principal.

The PNC Financial Services Group, Inc. ("PNC") uses the marketing names PNC Private Bank® and PNC Private Bank Hawthorn® to provide investment consulting and wealth management, fiduciary services, FDIC-insured banking products and services, and lending of funds to individual clients through PNC Bank, National Association ("PNC Bank"), which is a **Member FDIC**, and to provide specific fiduciary and agency services through PNC Delaware Trust Company or PNC Ohio Trust Company.

PNC does not provide legal, tax, or accounting advice unless, with respect to tax advice, PNC Bank has entered into a written tax services agreement. PNC Bank is not registered as a municipal advisor under the Dodd-Frank Wall Street Reform and Consumer Protection Act.

"PNC Private Bank" and "PNC Private Bank Hawthorn" are registered marks of The PNC Financial Services Group, Inc.

**Investments: Not FDIC Insured. No Bank Guarantee. May Lose Value.**

©2025 The PNC Financial Services Group, Inc. All rights reserved.