



IN THIS EDITION

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Video Banking • Teen Checking Accounts • First Point Escapes

YOUR PRIVATE BANKING TEAM



Karen Johnson

515-663-3009

Karen.Johnson@FNB247.com



Marcy Nelson

515-663-3075

Marcy.Nelson@FNB247.com



Jen Walter

515-777-7174

Jennifer.Walter@FNB247.com

Year-End Tax Planning Tips

You may be able to reduce your tax liability if you consider adopting these tax strategies before year's end.

Few words can dampen the cheer and optimism of a New Year like taxes. Let's face it, the time for holidays, time off, and family should be celebratory, not burdensome. But if you approach taxes with an eye toward reducing your liability for next year, the concept becomes more amenable. And indeed, there are numerous tax-savings strategies that you can implement that could potentially reduce your tax obligations. Let's take a look.

Turn Losses into Gains

If you anticipate that your investments will yield short- or long-term capital gains, you can offset these with realized capital losses, according to the IRS.

For assets that you hold less than a year, the gains (short-term) are taxed at ordinary rates from 10% to 37%, which you can offset with short-term losses. Similarly, for assets that you hold longer than a year (long-term), the gains are taxed at a top rate of 20%, which you can reduce by long-term capital losses.¹ If your losses exceed your gains, you can deduct up to \$3,000 in capital losses against your ordinary income on that year's tax return, while carrying forward unused losses, if any, to future years.

Accordingly, you might consider avoiding short-term gains, since these are taxed at higher rates. If you are anticipating a short-term gain, either offset it with short-term losses, or consider holding onto the assets for at least a year, when they become long-term assets.

Review your portfolio and estimate your gains and losses. Most capital gains and losses are triggered when you sell the asset, offering you control over the event. However, others — mutual funds, for instance — are difficult to predict as they are comprised of numerous assets. Assess those assets that have performed well and those that have incurred losses. If there are under-performers that can cover your gains, it will help minimize your capital gains tax.

Also, it is advantageous to elect losses before gains, as you can carry over unused losses to future years. Capital gains are taxed in the year in which they are realized.

¹ According to IRS Publication 550, Investment Income and Expenses, you can offset long-term gains with net short-term capital losses, too, in certain instances. See <https://www.irs.gov/forms-pubs/about-publication-550>.

Avoid the Net Investment Income Tax

The IRS assesses a 3.8% tax on unearned income for high-income taxpayers, which applies to single taxpayers with a modified adjusted gross income of \$200,000 or more and for those who are married and filing jointly with a modified adjusted gross income of \$250,000 or more. This increases the top rate on most long-term capital gains to 23.8%, which applies to interest, dividends, royalties, and rents, among other items (collectively called "net investment income").

Assets that do not fall under this net investment income classification, and thereby, avoid the 3.8% additional tax, include distributions from IRAs or qualified retirement plans, annuity payouts, and income from tax-exempt municipal bonds. Consider these distinctions to avoid additional tax liability.

Looking Forward

As the tax laws change frequently, consult a tax or financial professional to assess ways that you can manage your tax burden.

Contact us today to schedule a complimentary consultation.

Taylor Rood
Administrative Assistant
(515) 715-1942 | Taylor.Rood@LPL.com



Stephen P. Kester, CFP®
Investment Representative

This information is not intended to be a substitute for specific individualized tax advice. We suggest that you discuss your specific tax issues with a qualified tax advisor.

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SEMINAR

THE BASICS OF ESTATE PLANNING

Join Us for a Panel Discussion on Estate Planning, Taxes, and Duties of an Executor

WEDNESDAY, NOVEMBER 13

11:30 – 1:00 P.M.

Kirkendall Public Library (Meeting Room A)
1250 SW District Dr, Ankeny

Please RSVP to your Private Banker by October 30.

PRESENTED BY:

Jared Bravard
First National Bank

Rebecca Miller
Nyemaster Goode

Kyle Woiwood
UHY LLP Certified Public Accountants

SEMINAR

SOCIAL SECURITY CHOICES – MAKING RETIREMENT INCOME LAST

THURSDAY, OCTOBER 24

9:00 – 10:30 a.m.

405 5th St., Ames

THURSDAY, OCTOBER 24

12:00 – 1:30 p.m.

5625 Mills Civic Pkwy., West Des Moines

Please RSVP to your Private Banker by October 17.

PRESENTED BY:

Joe Massicotte

Vice President –

Senior Advisor Consultant, Iowa Franklin Templeton

Tim Fitzgibbon

Investment Representative

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May Lose Value

SERVICE HIGHLIGHTS

Checking & Debit Cards for Teens

First National Bank offers several choices of checking accounts. Simple Cash Back is the most popular with teens and their parents/guardians. It's preferred because it's a simple, worry-free account that can reward teens for using their debit card to make purchases. No minimum balance. No monthly fees. Free online statements.

Joint teen/parent checking accounts can be opened at age 13 and continue until the teen becomes 18, at which time the teen can have their own account without a parent on it.

SPECIAL OFFER: First National Bank is currently offering a \$25 deposit bonus for all new Simple Cash Back checking accounts for minors. Use promotional code TEEN13 when you apply online or reference the code if you apply in-person at the bank.

Opening a Bank Account for Teens

Whether you're a parent, guardian, or grandparent, you can play an important role in helping a teen set a course to a positive financial future and establish good money habits. At First National Bank, teens ages 13-17 can open a checking account with their parent/guardian as a co-owner.

A minor account is a partnership between the teen and their parent/guardian. Several parental controls provide the appropriate guardrails for a safe and responsible learning experience. Parents can set spending and debit card limits, identify types of purchases that should be restricted (e.g., online gaming, Amazon), and can receive real-time notifications about their teen's account activity.

Age is not necessarily the determining factor as to when a child should get their first checking account. Variables parents might consider when making the decision include:

- Your child's understanding of money, checking accounts and debit cards.
- Their saving and spending habits.
- Their maturity and ability to accept personal responsibility for their finances.

Contact your Private Banker if there is a teen in your life ready for the passage to a checking account and to take advantage of the new account special offer.

Video Banking: Makes Your Life Easier

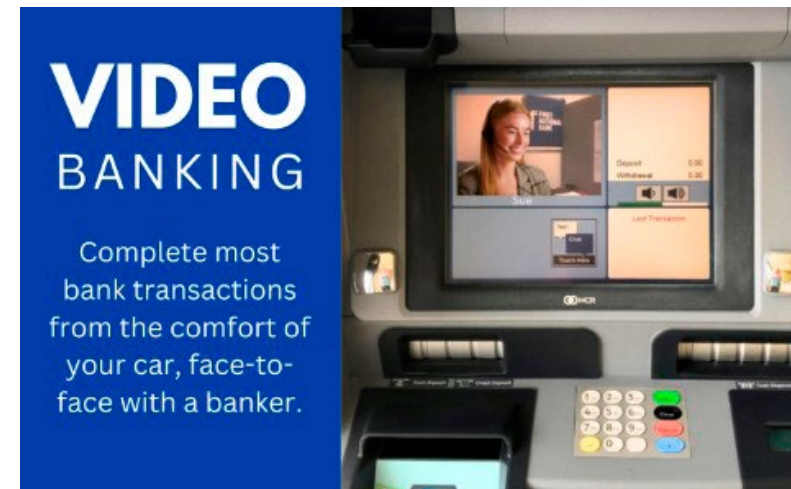
Video Banking is popular with customers because it delivers a **personalized, in-branch like experience accessible from the comfort of your vehicle**. Our representatives can look up your account information and assist you with many bank transactions...well beyond those that you can do using the machine for ATM transactions.

Customers tell us they still prefer the reassurance of face-to-face interactions when it comes to banking and dealing with their financial matters. Video Banking can be an excellent alternative for individuals who don't want to get out of their car to come inside due to incompatible schedules, busy lifestyles or poor weather conditions. It's perfect when you need to speak with someone before or after normal business hours. And it's ideal for parents shuttling their kids or helping as the neighborhood/team chauffeur.

It's easy. Pull into the drive-up lane where Video Banking is offered. Touch the screen to activate the video and chat functions. Then you can complete many of the same banking transactions that you can do inside the bank. There are no forms to complete. You don't need to use a debit card. Via the video feature, the Customer Service representative will work with you face-to-face to assist with your bank transactions or answer your questions.

Video Banking is available in Ames, Ankeny, Valley Junction, and West Des Moines. Services are accessible Monday-Friday, 7:30 a.m. – 5:30 p.m., and Saturday, 8:30 a.m. – 12:30 p.m.

Contact your Private Banker to Learn More.



FIRST POINT ESCAPES

2025 Travel Opportunities

Southern Hospitality - April 27 - May 3, 2025

The sights and sounds of the South will come alive as you stay on the island frequented by some of the Gilded Age's wealthiest, marvel at the care provided at a sea turtle hospital and stroll past graceful oaks draped with Spanish moss. Be immersed in Antebellum history on a plantation, lulled with the clip-clop of horses' hooves on a Savannah carriage tour, and introduced to a world-renowned tea taster!



British Landscapes - September 8 - 20, 2025

Embark on an enchanting journey through the British landscapes, where each day unfolds with new adventures and stunning scenery. Explore quaint villages, immerse yourself in rich history, and cruise along peaceful waters. Whether discovering iconic landmarks like Buckingham Palace and Edinburgh Castle or enjoying serene boat rides, this trip offers a perfect blend of historical exploration and natural beauty.



TICKETS AVAILABLE

UPCOMING EVENTS

- November 13** The Basics of Estate Planning Seminar
- Spring & Fall of 2025** Southern Hospitality & British Landscapes Travel Opportunities

THEATER TICKETS

A First Point benefit is the opportunity to purchase tickets for shows at these local theaters. Secure great seats while saving time and processing fees* by contacting your Private Banker.

STEPHENS AUDITORIUM

1900 Center Drive, Ames

Contact your Private Banker for ticket price and availability.

- November 9** ARTRAGEOUS
- November 11** Tina – The Tina Turner Musical
- December 5** Dear Evan Hansen
- February 11, 2025** Voces8
- February 28, 2025** Yamato Drummers of Japan

* Not all processing fees are eligible for discounts

DES MOINES COMMUNITY PLAYHOUSE

831 42nd Street, Des Moines

Contact your Private Banker for ticket price and availability.

- October 18 – November 3** Dracula
- December 6 – 22** Beauty and the Beast



Please bring your printed or electronic tickets to present upon arrival for theatre shows.



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