



GREAT PLAINS

Trust

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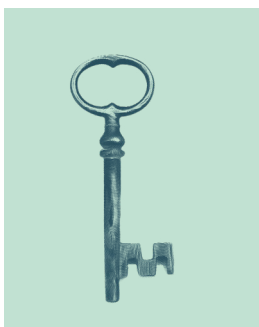
Why Banks May Reject Your Durable Power of Attorney

A durable power of attorney is a legal document that authorizes a named agent to manage the finances of a principal. It enables the agent to interact with banks and institutions where the principal has financial accounts. While it is important to execute a legally sound durable power of attorney, it is equally necessary to ensure that financial institutions will accept the document. Generally, banks are obligated to honor a valid durable power of attorney. However, financial institutions can still refuse the document for policy or protective reasons.

A bank's right to refuse a power of attorney is grounded in its unique position to prevent fraud and elder abuse. A financial power of attorney is a powerful document that grants another individual unfettered access to the owner's account. Because of this, state and federal agencies encourage banks to actively use their position to monitor client activity and enforce employee training programs on the signs of suspicious behavior. This initiative empowers bank employees to scrutinize powers of attorney and reject documents that appear suspicious or lack credibility.

Reasons a financial institution may reject a financial power of attorney include:

- The financial power of attorney is considered too "stale" because it was executed several years earlier. Legally, a durable power of attorney does not expire until it is revoked by the principal or the principal dies. However, there is concern that an older power of attorney has not been updated and names an agent that the



Why Banks May Reject Your POA... (continued)

principal no longer wants. For these reasons, banks are less inclined to accept an older power of attorney. The number of years that makes the document "stale" varies and depends on the financial institution.

- The financial institution has additional rules and procedures to follow for the protection of the account owner. Banks may reject a power of attorney because the account owner did not execute the document on the institution's form. Banks may also have their own document verification process or require a meeting with the attorney-in-fact and principal while the principal still has capacity. Failing to complete these steps may render the power of attorney unacceptable.
- If a durable power of attorney springs into effect upon the principal's incapacity, the financial institution may require documentation from physicians to confirm that medical conclusion.

Principals should be proactive and reach out to any bank or financial institutions where they have accounts and inquire about specific requirements regarding a power of attorney. The purpose of these steps is to ensure that there are no surprises when the agent needs to utilize the durable power of attorney to access the principal's account. Modifications can only be made while the principal has capacity. Therefore, it is imperative to verify with your financial institution that your durable power of attorney aligns with its policies.

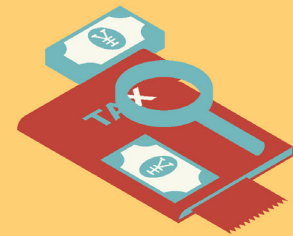
WHY TAX PLANNING MATTERS

Our firm offers annual tax planning as part of our comprehensive financial planning service. While often overlooked, robust tax planning is one of the most valuable pieces of a complete financial plan, and we are excited to offer it to you.



Tax planning refers to our review of your tax return to identify potential planning opportunities - both now and in the future - to keep your lifetime tax liability as low as possible.

WHAT IS TAX PLANNING?



WHY IS TAX PLANNING IMPORTANT?

Taxes touch every part of your financial life. Your tax return is a financial fingerprint: it's completely unique to you, complete with valuable clues and information, all of which is buried in dozens of pages and hundreds of numbers. Understanding your return equips us to have more valuable and actionable conversations with you.

WHO IS TAX PLANNING FOR?



Everyone! Regardless of your income sources or filing status, nearly anyone who pays income taxes can benefit from having a professional review of your tax return to identify relevant planning opportunities.

WHAT KIND OF OPPORTUNITIES MIGHT BE IDENTIFIED?

We will evaluate topics like tax efficient retirement vehicles, charitable giving strategies, realizing capital gains, Roth IRA conversions, tax credit eligibility, and more. We can run projections to see how potential changes may impact your upcoming tax liability.

Source: Holistiplan

If you are interested in tax planning, please contact your wealth advisor. Whether you file in April or have an extension, upon completion of your tax returns, we can arrange a time to review your tax returns together. Alternatively, we can provide you access to our secure portal, where you can safely upload your documents. Please remember not to email your tax returns directly to anyone!

**This material is for general information to identify potential planning opportunities and is not intended to provide specific advice or recommendations. To determine what is appropriate for you, please consult with a qualified tax advisor.*

Preparing for Potential Tax Changes Under a Second Trump Administration

As we are approaching the second inauguration of President Donald Trump, now is an opportune time to evaluate how potential changes to tax policy could affect your financial strategy. Building on the framework of the Tax Cuts and Jobs Act (TCJA), Trump has signaled intentions to expand key provisions that may present opportunities for both individuals and businesses. By planning ahead, you can position yourself to take advantage of potential tax benefits while safeguarding against uncertainty.

Potential Effects on Individual Taxes

Tax relief across all levels of income has been a common priority in Trump's proposals. Once inaugurated, we could see an extension of the reduced tax brackets established under the TCJA, helping many Americans retain more of their earnings. Specifically, Trump has floated the possibility of increasing the standard deduction, which would allow taxpayers to reduce taxable income without itemizing.

For families, both Trump and VP JD Vance have taken strong stances on an increase to the Child Tax Credit or similar deductions, easing financial pressures on new and

growing families. These changes could help the average American household build savings and retirement assets.

Estate and Capital Gains Tax Planning

Estate planning is a critical area where proposed changes could have a significant impact. Trump has previously advocated for reducing or eliminating estate and capital gains taxes, which could create substantial opportunities for transferring wealth efficiently.

Currently, the estate tax exemption stands at \$13.99 million per individual in 2025, but is set to drop to approximately \$7 million in 2026 unless further legislative action is taken. For families whose estates are near or above this threshold, leveraging gifting or trust strategies now could help maximize the current higher exemption.

Balancing estate planning with other tax considerations—such as income and property taxes—requires careful coordination. Working closely with your attorney, financial advisor, and CPA ensures a tailored approach that reflects your family's unique situation, while planning for the potential tax changes.

Continued on pg. 4

Year-End Financial Planning Reminders

When will I receive my Statements and Tax Information?

- 1099 R tax forms will be mailed along with your annual statements by January 31, 2025.
- Forms 1099 B, Div & Int will be mailed no later than February 17, 2025.
- RMD notices will be mailed by January 31, 2025.
- IRA Form 5498 (reporting 2024 contributions) will be mailed by May 30, 2025.

IRA Contribution Limits

2024:

\$7,000 (\$8,000 if age 50 or older)

2025:

\$7,000 (\$8,000 if age 50 or older)

Due date for 2024 IRA and Roth IRA contributions is April 15, 2025

*Please include the tax year on all IRA contributions

Great Plains Gives Back



Our employees love the tradition of giving gifts to children through Red Bags KC. Through November, our team handpicked gifts from the wish list of sister and brother, Karma and Kingsley. Red Bags KC is a charitable organization supporting foster children, low-income families, and at-risk youth during the holiday season.

Preparing for Potential Tax Changes... (continued)

Retirement Planning Under Low Tax Rates

Today's historically low tax rates offer an excellent opportunity to revisit your retirement strategy. Consider the following options:

- **Roth IRA Contributions and Conversions:** Converting funds from a traditional IRA to a Roth IRA allows you to pay taxes now and enjoy tax-free withdrawals in retirement. This can be especially beneficial if you anticipate higher tax rates in the future. However, it's essential to plan carefully to avoid moving into a higher tax bracket during the conversion process.

- **Maximizing Contributions:** Fully funding your 401(k), IRA, and Health Savings Account (HSA) provides valuable tax benefits while bolstering your retirement savings. Contributions to traditional accounts reduce your current taxable income, while Roth contributions offer future tax-free growth. If tax cuts are enacted under Trump,



as a result, the extra household take-home-pay is a great opportunity to increase contributions to retirement advantaged accounts.

- **Portfolio Rebalancing:** Favorable capital gains tax rates provide an opportunity to rebalance your investment portfolio. Selling appreciated assets now could help optimize your investment strategy while minimizing tax liabilities.

Collaborate with your financial advisor to explore options that align with your retirement goals and take full advantage of today's tax environment.

Positioning Yourself for Future Success

As we anticipate possible tax changes under a second Trump administration, now is the time to revisit your financial strategies. Whether it's optimizing your tax plan, updating estate arrangements, or exploring retirement strategies, working with a trusted CPA or financial advisor can help you navigate these potential shifts and position yourself for future success.

Get Online Statements & Advice of Trades

Switch from paper statements to online statements. Along with saving paper, online statements are received more quickly and can be downloaded, saved, or printed at home.

If you currently do not have access to GWAccess and would like to view your accounts online, switch to online statements, and/or see trade advices, we can help!

Send a request to: trustops@greatplainstrust.com

Questions about online access?

E-mail or call: trustops@greatplainstrust.com
913-831-7999

GREAT PLAINS

Trust

Our Mission

To be a premier provider of wealth management and trust services to families across generations. We shall deliver responsive, reliable, and informed service combined with a commitment to achieving the stated goals of our clients and their families. We shall, at all times, deal honestly and respectfully with all clients and associates.

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