

LET'S TALK MONEY[®]

Article Summaries

January/February
2025

See the articles
that will be featured
in the **High Net
Worth Version!**

Important Date

If you wish to order copies of the
Let's Talk Money[®] newsletter, make
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November 8, 2024
for new subscriptions

November 15, 2024
for existing subscriptions

Standard Financial Topics

[COVER PAGE]

Target Your Investments

Most Americans have better things to do other than study the markets. That is why target date funds continue to be so popular. Also known as age-based, lifecycle and target-risk funds, target-date funds are designed to follow an investing path that changes when risk tolerance and time horizons change.

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Stick to the Basics

As the new year kicks off, we all hope for a prosperous year. But we also know that markets are fluid, and their performance cannot be predicted or timed, which is why it is important to cling to these well-known basics that can help you stay on track toward achieving your goals.

Retirement Planning

[COVER PAGE]

Revive Your Retirement Strategy

Many of us either don't start saving for retirement, take time off from contributing, or abandon this strategy altogether when financial obstacles hit. But most people can revive their retirement savings strategy at almost any age by making a few changes in how they deal with money.

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Get Retirement Planning Right

It's easy to put things off until tomorrow, especially when that tomorrow is years away. This attitude is just one of many ways we can derail or delay saving for retirement. Here are some mistakes to avoid.

Small Business Needs

[COVER PAGE]

Fast Track Profits

Every business owner wants a leaner company with increased profits, but finding areas where you can cut costs can be difficult, but not impossible.

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Disability Insurance

You may be aware that disability income insurance can protect your employees' ability to earn an income should a long-term disability keep them from work. But do you know there is also a type of insurance that may protect a business financially in the same circumstances?

Legacy/Insurance Planning

[COVER PAGE]

Unmarried with Children

According to the 2023 U.S. census, one in four parents were unmarried, a sharp increase in recent years. More parents also have unmarried partners, which doesn't change the fact that most parents — especially single — should have life insurance.

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Guaranteed Retirement Income

Are you looking for some measure of assurance in retirement in a financial world where few guarantees exist? While there are many different annuities, one type — a fixed annuity — offers the security many people want.

Inside Articles

Healthy Financial Habits

Resolving to get financially fit is a great way to start 2025. Learn some ways to develop healthy money habits in the new year.

How Americans Define "Financially Successful"

Americans usually travel during the holidays; even with thoughtful planning, it can cost a lot. Whether traveling by ground or air, there are ways to save.

6 Ways to Find More Money to Budget

Whatever your financial goals may be, finding the money to help pursue them can be challenging but not impossible.

Money Hacks to Simplify Your Life

Life is busy, so we often can't find the time to execute financial tasks, whether big or small. There are ways to save time.

Organize Your Documents

Is financial paperwork piling up on the dining room table or kitchen counter? Setting up a filing system can help you save time, reduce stress and avoid late fees and misplaced tax records.

THERE'S MORE!



THE FOLLOWING ARTICLES WILL BE FEATURED IN THE HIGH NET WORTH VERSION OF THE NEWSLETTER. ADD IT TO YOUR MIX!

High Net Worth Topics

[COVER PAGE]

Yes, A Retirement Portfolio Can Be Too Aggressive

Having a portfolio that is too heavily weighted in aggressive stocks is a concern, especially for anyone nearing retirement. With the start of a new year, it may be a good idea to review your total investments to make sure that they align with your objectives and timeline.

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Secure Act Provisions Effective For 2025

Your home is your castle, and you don't want to risk anything that might diminish its value or comfort. However, many people are at risk because they do not know that their homeowners' insurance policy may not cover everything, so they inadvertently underinsure their property.

Inside Articles

A Roth IRA For Your Child

You might think individual retirement accounts (IRAs) are only for adults, but a Roth IRA can be a smart way to give your child a head start in building wealth.

Many Underestimate The Importance Of An Estate Strategy

Many Americans of all ages, even higher earners, don't have an estate strategy. In fact, among higher-than-average earners, the percentage dropped from 2023 to 2024.

A Win-Win Planning Solution

Looking for a tax-efficient way to support your favorite charities while providing for your heirs? A charitable lead trust (CLT) may be a solution. With a CLT, you can make a meaningful impact on causes you support while potentially reducing your tax burden.

LET'S TALK MONEY

Investing Missteps to Avoid

- 1. Starting Late**
Time matters everything when it comes to investing success, so use it to your advantage.
- 2. Underestimating Time**
Time may not fly by, but ask any older person how quickly it seems to go. Don't put off to tomorrow what you can start today.
- 3. Overreacting**
The constant ebb and flow of stock and bond markets into dizzying spins as investors feed investments. Those with long-term investors who stay the course may withstand the onslaught if it is not met with previous market shaking events.
- 4. Under reacting**
Your emotions should not apply to every investing decision. If your investments are going long-term or no longer fit your strategy, consider selling them.
- 5. Investing too Aggressively**
If you're in or near retirement, you may not have the time to recover from down markets. Invest appropriately.
- 6. Investing too Conservatively**
With enough time, you may overcome market downturns, so invest for growth when you have time.

The author and LTM Marketing Services LLC are not a financial advisor. This publication is prepared for informational purposes only. It is not intended to be used as a substitute for professional advice and should not be relied upon for investment decisions.

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I am committed to helping my clients achieve their financial goals for themselves, their families and their businesses by providing them with strategies for asset accumulation, preservation and transfer.

1 year
5 years
10 years
15 years
20 years
25 years
30 years
35 years
40 years
45 years
50 years
55 years
60 years
65 years
70 years
75 years
80 years
85 years
90 years
95 years
100 years

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Source: 2023 Bank of America Study of Philanthropy

Affluent households that gave to charity	85.1%
Affluent individuals who volunteered their time	38.8%
Affluent households' average charitable donation	\$34,917

PLAN 24

YEAR-END TAX PLANNING

Intelli, you have shared to minimize your taxes at year-end. Good news! There are some year-end strategies that may help you pay less tax on your income. Before implementing these or any year-end strategies, talk with your tax advisor.

Deferral or Acceleration Income
Project whether you'll have higher taxable income in 2024 or 2025. If in 2025, investors receiving your employer bonus, investment and business income, etc., this year.

Do the opposite if, for example, you expect to lose a dependent, have a spouse using time after business hours, etc., and will have less taxable income in 2025.

Charitable Deductions
For instance, if medical expenses for 2024 year exceed the deductible minimum (medical of 7.5% of adjusted gross income (AGI), or 10% if medical expenses exceed 10% of AGI), you may receive a 20% tax credit for 2024 year.

Before deducting any expenses into 2024, consider your overall tax situation for the tax year and 2025. If you anticipate income increasing enough in 2025 to put you in a higher bracket, it may make sense to postpone a deduction.

Use Of Your Health Savings Account
You have until the April 15, 2025, tax filing deadline to make Health Savings Account (HSA) contributions for this year. If you haven't already maxed out your contribution, do so. HSA contributions and earnings are generally excluded from taxable income.

Review Your Charitable Giving Program
Reviewing your 2024 charitable giving effectiveness and potential tax benefits may improve 2025 taxes and help significantly impact 2025.

Make sure your 2024 expectations were reasonable based on your and the charity's financials for the year and the status of the work. Consider how giving more might increase impact and reduce taxes.

If you're retired, check out this option for increasing 2024 gifts—a direct individual retirement account distribution to charity. The distribution is potentially excludable from income and can satisfy your individual retirement account required minimum distributions for 2024.

SWAP REAL ESTATE TO DEFER CAPITAL GAINS TAXES

Additional money. The additional equity created by the capital gain in the original property is reinvested instead of you coming up with additional capital for a subsequent purchase. This often has the potential to increase wealth creation over time.

A 1031 exchange could potentially build wealth. However, understanding the complex rules requires even the savviest investor to seek professional help.

Also, consider exchanging one large real estate investment for several smaller ones.

DON'T BE YOUR OWN WORST INVESTING ENEMY

Many investors aim to have their gains match or beat a standard investment benchmark. According to Dalbar's annual Quantitative Analysis of Investor Behavior, 2024, the average investor falls short, earning 5.0% less than their targeted stock benchmark and 2.03% less than their chosen fixed income benchmark.

Behind the Statistics
Often, investors' worst emotional behavior and personal recommendations too heavily against the knowledge and experience of investment professionals. Look at the checklist to see if it could be you.

- **When deciding whether to sell a stock**, you may be emotionally tied to the price you paid for it and avoid selling so you don't regret having made a "bad" investment and missing a recovery.
- **Mental accounting**, using your gains, can make you hesitant to sell an investment that has significant gains but now has more modest gains.
- **Paper losses stress people more than gains**—the asset that you other prematurely sell an investment with gains or ongoing and possibly increasing future gains.
- **Being too quick to jump on the latest trend or fad** or herd/ investment without thorough research and taking with your financial professional that can be detrimental to achieving your goals.