

LET'S TALK MONEY[®]

September/October 2023

Take an Active Role in Your Finances

When it comes to women and investing, research has turned up a few paradoxes. Although, on average, women earn better investment returns than men while taking less risk, their retirement account balances lag men's by as much as 44 percent.

Many Factors

The reasons women are less likely than men to build wealth are varied. Perhaps the most relevant is that in 2022, women earned 82 cents for every dollar earned by men, according to the Pew Research Center, making it harder for women to save. And, according to several studies, women also lack confidence in their investing abilities and tend to be less financially literate than men.

But perhaps the most significant factor next to lower pay is that women spend more time out of the workforce due to caring for children and/or elderly parents. Even when women return to work, the time spent away from the job may result in lower pay, interruptions in a career path, fewer promotions, and a decrease in contributions to retirement savings.

Take Control

Whether single or married, it is important for women to be involved with their finances. Becoming a knowledgeable saver and investor should be a priority. Start by defining short- and long-term goals —



things you'll need money for in a few months, a few years, and many years in the future. Once your goals are defined, use them as a roadmap for making financial decisions.

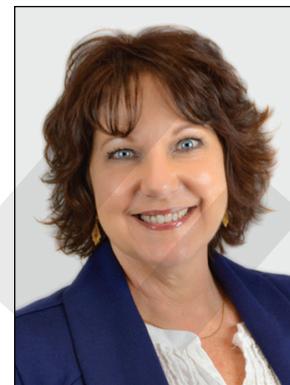
Plan for Retirement

Contributing to an employer's 401(k) or other tax-qualified retirement plan allows you to accumulate retirement savings while reducing your current tax liability.

If you're married and not working, your employed spouse can make contributions for you to a spousal IRA.

Get Help

Your financial professional can help you create a strategy for achieving all the goals you've identified. If you expect to be away from the workforce in the future, your advisor can help you plan for the absence by investing outside of your retirement plan. Choosing an accountant to help with tax issues and an attorney for estate planning will round out your team of professionals.



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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.

Standard Version

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Should You Consolidate Debt?

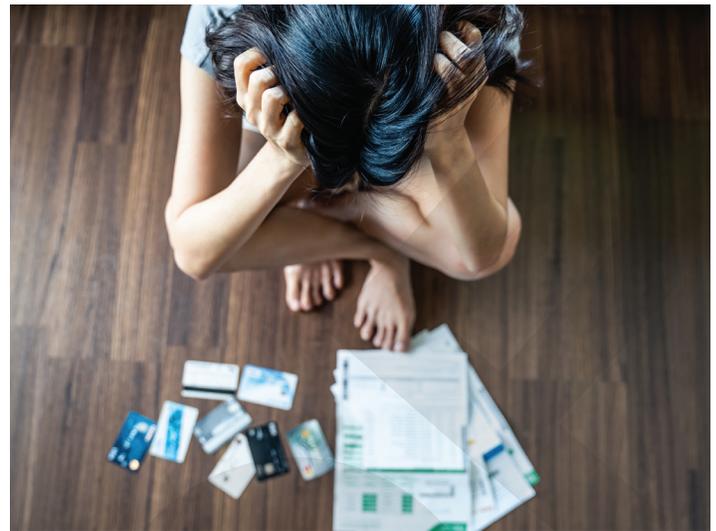
Debt consolidation offers a way to combine some or all your debts into a single payment, often at a lower interest rate. If you have substantial debt that carries high interest rates, a debt consolidation loan may lower your payments and allow you to pay off your debt more quickly.

Which Debts Should You Consolidate?

Begin with any unsecured debt that you have. Unsecured debt is any debt that isn't backed by an asset, such as your home or car. Paying off credit card balances that carry high interest rates is frequently the reason people seek debt consolidation loans, but consolidation may also benefit those with medical debt or cash advance (i.e., Payday) loans, which typically have high interest rates.

Favorable Terms

A debt consolidation loan allows you to pay off multiple creditors and make a single payment each month to one lender. Unlike credit cards, consolidation loans have a clear timeline for paying off the debt. The monthly payment may be lower than the combined payments you are currently making.



Benefits of Consolidation

Having a single payment each month can simplify your finances and make them more manageable. By not having to keep track of multiple debts, you're less likely to miss payments that incur late fees and reduce your credit score.

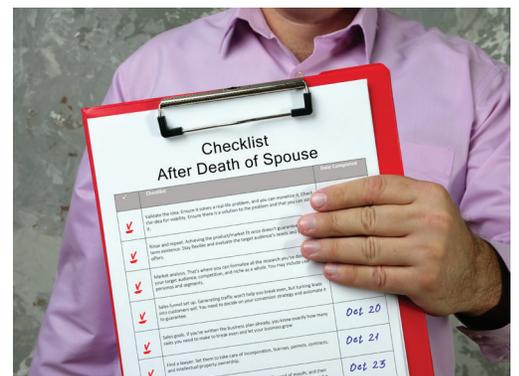
First Steps

Before you apply for a debt consolidation loan, make sure you aren't behind on any payments. It's also a good idea to check your credit score to see where you stand.

A Checklist for Loved Ones

The death of someone close to you brings with it many important tasks that must be completed, despite your grief and confusion. The following checklist can help you prioritize.

- ❖ Locate the will and other estate planning documents.
- ❖ Request several copies of the death certificate from the funeral home director. They'll be required as proof of death in a variety of situations.
- ❖ Notify financial institutions, creditors, Social Security Administration, and the three credit bureaus.
- ❖ If appropriate, contact pension plans or annuity providers to find out if a spouse is entitled to benefits. If the deceased was a veteran, also contact the Department of Veterans Affairs.
- ❖ Retitle assets, such as property and joint accounts.
- ❖ Notify the deceased's insurance companies and file claim(s) for life insurance proceeds. The National Association of Insurance Companies maintains a database to help with locating a policy.
- ❖ Remove social media accounts if you have access.
- ❖ If you're the spouse, update your own estate planning documents, including beneficiaries on retirement accounts and life insurance policies.
- ❖ Set up a meeting with your financial professional, estate attorney and tax advisor.



Claiming the Lifetime Learning Credit

Higher education costs have skyrocketed over the years, so who wouldn't appreciate a little help paying for them? The Lifetime Learning Credit is a nonrefundable tax credit that can offset the cost of tuition and related expenses at eligible institutions.

Who Can Claim the Credit?

The credit can be claimed for you, your spouse or any other eligible dependent listed on your tax return. The person must have qualified education expenses at an eligible institution and be taking undergraduate, graduate or professional degree courses or courses to obtain or improve job skills. You or your dependent must be enrolled for at least one academic period that begins in the tax year for which you're claiming the credit. You don't have to be pursuing a degree. The credit is also available for postsecondary continuing education and professional development certificate programs.

Eligible Institutions and Expenses

Eligible institutions include public and private colleges and universities, vocational schools, and other postsecondary institutions. The credit can be claimed for tuition and fees and required expenses, such as equipment and supplies. The credit cannot be used for living expenses, including room and board, insurance, medical costs, transportation, or special services. Generally, it also cannot be used to purchase books from a school bookstore.

What Is It Worth?

The Lifetime Learning Credit is worth 20% of the first \$10,000 of qualified expenses, for a maximum of \$2,000. The credit is per tax return, not per person. Income limits apply. You must file a federal tax return and attach *Form 8863 Education Credits*. Keep in mind that if you use 529 funds or are reimbursed for educational expenses by an employer, you can't claim the credit for the same expenses. Consult your tax advisor regarding your situation.

The Cost of College

Institutional financial aid offices have constructed an average student budget for full-time undergraduate students for the 2022-23 school year. The budget items include tuition/fees, room and board, books/supplies, transportation, and miscellaneous expenses. Amounts are before any financial aid is awarded.

Public 2-year in-district commuter	\$19,230
Public 4-year in-state on campus	\$27,940
Public 4-year out-of-state on campus	\$45,240
Private nonprofit 4-year on campus	\$57,570

Source: College Board 2023, Trends in College Pricing 2022



FAFSA Makeover

The FAFSA (Free Application for Federal Student Aid) that students and parents complete to apply for financial aid is becoming shorter and easier to navigate, thanks to the FAFSA Simplification Act. Scheduled to begin with the 2024-25 award year, the revisions to the form are designed to streamline the application process. Here are some highlights. The Act:

- ❖ Changes the methodology for determining aid. The Expected Family Contribution (EFC) is replaced by the Student Aid Index (SAI);
- ❖ Expands access to Federal Pell Grants and Federal Direct Loans, so more students will qualify;
- ❖ Includes a new interface to directly receive tax information from the IRS;
- ❖ Eliminates the reporting of financial contributions from others (grandparents, etc.);
- ❖ Increases the amount of income excluded from the financial aid eligibility formula;
- ❖ Eliminates the discount for having multiple children in college, effectively reducing financial eligibility for those families.

Additional information is available at studentaid.gov



A Look at the Major Stock Indexes

There are approximately 5,000 indexes that represent the U.S. equity market. While you rely on these indexes as indicators of how the stock market is performing, you cannot invest in any index. Here's an overview of the most widely used.

What Is an Index?

An index measures the performance of a group of stocks and provides a snapshot of what is happening across specific industries, businesses, and the U.S. economy as a whole. Indexes are weighted by factors such as price and market capitalization — the total value of a company's outstanding stock shares.

Dow Jones Industrial Average (DJIA)[®] – The First Index

The DJIA is a price-weighted index of 30 of the largest U.S. blue-chip companies trading on the New York Stock Exchange and the Nasdaq. A price-weighted index gives stocks with the highest prices the most weight. The index got its start in 1886, after Charles Dow, Edward Jones, and silent financial partner Charles

Bergstresser founded their own news agency called The Wall Street Journal. It was during this time that Dow developed his index as a way to measure stock market performance. As the oldest index, the DJIA is considered a gauge of the broader U.S. economy.

S&P (Standard & Poor's) 500[®]

The S&P comprises 500 of the top companies in the U.S. and represents 80 percent of the total value of the U.S. stock market. Stocks are selected primarily based on market capitalization. The S&P 500 typically serves as an indicator of movement in the entire market.

The Nasdaq Composite Index[®]

The Nasdaq (National Association of Securities Dealers Automated Quotations) is a market cap-weighted index of all stocks trading on the Nasdaq stock exchange. The index is heavily weighted in the tech sector and includes stocks in software, biotech and semiconductor industries, among others.

A Few More

The **Wilshire 500[®]** — often called the “total stock market index” — includes all publicly traded companies based in the U.S.

The **Russell 2000[®]** is an index of 2,000 small-cap stocks.

The **S&P Midcap 400[®]**, **Russell Midcap[®]**, and **Wilshire U.S. Midcap Index[®]** represent the midcap market.



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ADVERTISING REGULATION DEPARTMENT REVIEW LETTER

June 02, 2023

Reference: **FR2023-0511-0074/E**

Link Reference : FR2023-0310-0155

Org Id: 23568

1. Let's Talk Money Newsletter - SepOct 2023 Standard
Rule: FIN 2210

Our review is based on your representation that the final version of this communication will prominently disclose the name of the member, pursuant to FINRA Rule 2210(d)(3)(A).

The communication submitted appears consistent with applicable standards.

Reviewed by,

Jeffrey R. Salisbury
Principal Analyst

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