

LET'S TALK FINANCIAL WELLNESS[®]

Article Summaries

March/April
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 Financial Wellness newsletter,
make changes to your existing newsletter,
please inform LTM Client Marketing by:

January 10, 2025
for new subscriptions

January 17, 2025
for existing subscriptions

Standard Financial Topics

[COVER PAGE]

Reduce Your 2024 Tax Bill

One simple move can lower your tax bill and increase your retirement savings. Contributing to an eligible retirement account by the April 15, 2025, income tax deadline will reduce your 2024 taxable income by the amount you contribute.

[PAGE 4]

Inflation: Retirement's Rival

Thinking about retirement can bring mixed emotions. Creating a realistic spending plan and planning for economic changes are essential.

Retirement Planning

[COVER PAGE]

IRA Mistakes You Can't Afford

With annual contributions limited by the IRS or your ability to save, your retirement security can't afford you to make missteps with your IRA. Yet many IRA investors do.

[PAGE 4]

Are You Saving Enough?

When you think about retirement, what is foremost in your mind? Freedom from work? The chance to spend your time the way you want? The amount of money you will need to save to live comfortably?

Small Business Needs

[COVER PAGE]

A Benefit Plan From A to Z

Most employers' workforce consists of Baby Boomers, Generation X, millennials, and Generation Z. These generations have different situations and benefit needs, so employers look beyond one-size-fits-all benefit plans.

[PAGE 4]

Should You Lease or Buy?

Leasing equipment can be an excellent option for newer businesses short on cash, while buying may be better in the long run.

Legacy/Insurance Planning

[COVER PAGE]

Survivorship Policies: Filling a Need

A survivorship policy — also called a second-to-die policy — can be a valuable estate-planning tool. It insures two lives, typically a married couple (or business partners), with the death benefit paid out after the second person's death.

[PAGE 4]

Estate Planning Basics Protect Your Family

Your will is a primary estate planning document that specifies how you want your assets distributed when you die and names a guardian for any minor children.

Inside Articles

The Lowdown on Excise Tax

Generally, federal excise tax is imposed on the sale of specific goods, services, or particular uses. The tax may be imposed at the time of import, sale by the manufacturer, sale by the retailer, or use by the manufacturer or consumer.

Heirs or Beneficiaries?

The terms heirs and beneficiaries are interchangeable – right? Not necessarily when it comes to distributing your property after death. So, knowing the difference between the two is essential in estate planning.

Home Sweet Home Renovations

It's spring, and for many homeowners, thoughts are turning to home renovations. If this describes you, be aware that some qualified home improvements are eligible for tax deductions.

Where to Put Your Emergency Fund

Like everything else, the costs of emergency repairs are increasing, so put your emergency funds in accounts that pay more.

Claiming Deductions for Volunteer Work

Volunteering helps others and gives you a feeling of satisfaction. And it may also give you a tax deduction. To qualify for a deduction, your expenses must directly relate to the charity where you volunteer.

**AN ESTATE PLANNING ATTORNEY CAN
HELP YOU EXPLORE ALL YOUR OPTIONS.**



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]

Investing The World 'Round

International stocks may be an appealing option if you want to diversify your investment portfolio further. However, investing in stocks overseas has advantages and disadvantages.

[PAGE 4]

Looking To The Upside

According to the recent Wall Street Journal Intelligence's Consumer Confidence and Economic Monitor survey, affluent Americans feel better about their financial situations.

Inside Articles

Protect Assets And Help Minimize Estate Tax

A Crummey Trust is known for leveraging the annual gift tax exclusion to minimize gift tax on assets passing to children, particularly minors and other loved ones in the future. The exclusion lets you give a certain amount to any number of people outright or in the trust gift-tax-free each year.

How Bonuses Are Taxed

Many employers typically pay annual bonuses in the first quarter of the year. If you received a bonus for the first time this year, you may be surprised at the net amount of your "windfall."

Watch Out For These Retirement Mistakes

The stakes in retirement planning are higher for affluent individuals. So, to have the retirement you want, be mindful of common mistakes.

Continuing Concerns

Despite being more upbeat, the respondents to this study still have concerns.

LET'S TALK FINANCIAL WELLNESS
January/February 2023

YES, A RETIREMENT PORTFOLIO CAN BE TOO AGGRESSIVE

Stocks offer the potential for higher returns but also have greater investment risk, making portfolios susceptible to market movements. Having a portfolio that is too heavily weighted in aggressive stocks is a retirement. Let's take a look at how you can be a good idea to review your total investments to make sure that they align with your objectives and wishes.

One Option
If you determine that you need to "rebalance" your investments, an annuity can be a powerful tool to help stabilize and potentially reduce a retirement portfolio's overall risk. Annuities offer options and guarantees that make them popular with retirees and investors nearing retirement.

Annuity Advantages
Annuities offer tax-deferred growth, which is a retirement and can be most beneficial in their peak earning and tax-paying years. Also, an annuity offers a guaranteed income stream for life. Lifetime annuities provide a steady stream of income that will last for life.

At the start of 2024, the Federal Reserve Board estimated that 40% or more of individuals born in 1954 and earlier owned more stock than the 47%-49% equity allocation often recommended (depending on age).
Source: Survey of Consumer Finances, December 2022

This is an advertisement prepared by TIA Client Marketing. Articles are not written or produced by the named representative. TIA Client Marketing is not affiliated with Prudential Financial or any of its affiliates.

Karen Petrucio
Account Manager

The Prudential Insurance Company of America
46 Princeton Ave
Arlway, NJ 07006

Tel: 800-243-5334
800-769-0182
Fax: 908-426-0000-09
www.prudential.com

I am connected to help my clients achieve their financial goals. For retirees, that means providing them with expertise in wealth accumulation, preservation and transfer. I will help you reach your goals by providing you with the latest information on investment options, tax and estate planning.

LET'S TALK FINANCIAL WELLNESS

YES, A RETIREMENT PORTFOLIO CAN BE TOO AGGRESSIVE

Stocks offer the potential for higher returns but also have greater investment risk, making portfolios susceptible to market movements. Having a portfolio that is too heavily weighted in aggressive stocks is a retirement. Let's take a look at how you can be a good idea to review your total investments to make sure that they align with your objectives and wishes.

One Option
If you determine that you need to "rebalance" your investments, an annuity can be a powerful tool to help stabilize and potentially reduce a retirement portfolio's overall risk. Annuities offer options and guarantees that make them popular with retirees and investors nearing retirement.

Annuity Advantages
Annuities offer tax-deferred growth, which is a retirement and can be most beneficial in their peak earning and tax-paying years. Also, an annuity offers a guaranteed income stream for life. Lifetime annuities provide a steady stream of income that will last for life.

At the start of 2024, the Federal Reserve Board estimated that 40% or more of individuals born in 1954 and earlier owned more stock than the 47%-49% equity allocation often recommended (depending on age).
Source: Survey of Consumer Finances, December 2022

This is an advertisement prepared by TIA Client Marketing. Articles are not written or produced by the named representative. TIA Client Marketing is not affiliated with Prudential Financial or any of its affiliates.

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.

Let's Talk Basics
Current law allows savings to Roth IRA investments to potentially grow tax-free and can thus be withdrawn at age 59½ or older with no tax consequences or penalties. Unlike other retirement accounts, a Roth IRA allows contributions but not earnings to be withdrawn penalty-free at any time. This can be incredibly valuable when funding tuition education or a first home purchase.

Logistics
As a parent, grandparent, or legal guardian, you can open a custodial Roth IRA on behalf of a child and manage the account until the child reaches the age of majority generally 18. If you wish, you can also make the annual contributions on the child's behalf, up to certain limits, using the child's earned income with them.

You may invest as much as the Roth IRA annual contribution limit or the child's earned income for the year if less. Thanks to the annual gift tax exclusion, you can contribute up to \$17,000 to 2023, your gift contributions should be

WHO'S BEST PREPARED FOR RETIREMENT?

Americans with average annual savings in the 90 to 100 percentile (\$216,000 and higher) have mean retirement savings of \$613,300.

This is significantly higher than the \$208,700 in mean retirement savings owned by those with average savings in the 50 to 59th percentile (\$75,000 to \$216,000).

Source: Federal Reserve Data, 2023

Source: 2024 Wealth and Estate Planning Study, Capgemini, 2024