

LET'S TALK FINANCIAL WELLNESS[®]

September/October 2025

Don't Miss a Step

If you think of estate planning as something that is necessary for only the very wealthy, it might surprise you to learn differently. From keeping an updated will to having healthcare and legal powers of attorney, estate planning is so much more. And with all the paperwork involved to ensure your loved ones inherit what you intend, it's easy to miss a step or two that can create an estate planning nightmare. Fortunately, there are some missteps you can avoid when you know what to look for. Here are a few tips:

Even-Steven

An estate plan may include tax-saving strategies, but its basic intent is to govern how your assets are distributed when you're gone. Many estate plans are designed to help ensure that heirs receive the exact same percentage of assets. That works when you're distributing cash. It doesn't if you have to split Grandma's brooch or Grandpa's handmade chess set three ways. Once you decide how these types of assets are to be distributed, you might gift them while you are still alive or add specific language to your will.

Match Assets

Life insurance policy proceeds, IRAs and other retirement accounts are distributed to designated beneficiaries, not via your will. Another reason to not include this information in a will is the public glare of probate. Placing your assets in a trust, can avoid this public exposure.

Review Regularly

Whether dealing with beneficiary-linked or will-directed inheritances, make it a practice to review your designations and will at least annually. Divorces, remarriages, blended families, new family members and family deaths can create the need to redo beneficiary designations and change the terms of a will or estate plan.

Talk to an estate planning attorney to draft proper documents for your situation. Your financial professional can provide information about how life insurance may help with your estate planning strategy.



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With my training and commitment to my clients, I am confident I can provide a high level of personalized service. As your financial professional, I will work diligently to help you work toward your financial goals with appropriate insurance products, investment and financial planning strategies.

Insurance Version



Preserving an Inheritance

A sudden inheritance can catch you off guard. One minute your life is status quo; the next minute, you have additional assets to plan for. While it may be tempting to spend your windfall, take a step back. Reckless spending has decimated many an inheritance, so sit down with your financial professional to develop a plan for managing and preserving your wealth. Here are a few ideas to get started.

Stash the cash in a money market account or other short-term investment until you have a plan in place.

Create a saving and investment plan. If you don't have an emergency fund with 6-to-12 months of living expenses, start there. Invest extra money in investment vehicles that reflect your time frame and risk tolerance.

Pay off personal loans and credit card debt, and don't run up new debt.

Plan a legacy that leaves wealth to your loved ones or to charity. An estate planning attorney can help you navigate the options to minimize any tax bite.

Splurge just a little. Setting aside some money to spend on yourself can keep you from feeling deprived.



Summer Jobs for Kids

Taking a summer job is a rite of passage for kids and an excellent way for them to learn financial responsibility while earning and spending their own money.



Tax Withholding

Generally, a child working a W-2 job, earning less than the 2025 standard deduction is considered to be a dependent and won't need to file a tax return. However, it may be a good idea to file if federal income tax was withheld, because the child may be entitled to a refund.

Branching Out

When minors start doing things like babysitting or lawn care, they are technically self-employed. In this case, generally, dependent children who have earned income of more than \$15,000 (in 2025) typically need to file a personal income tax return and might owe tax. Be sure your child keeps track of their expenses for things like mileage and equipment purchases.

When your children start earning their own money, help them learn about budgeting and saving. Distinguishing between wants and needs will help them create a realistic budget while saving money.

Taxes and Marriage

Getting married usually triggers a multitude of changes to your life, but one change that you may not have considered is how marriage affects your taxes. For example, your tax filing status may change, most often from filing single to married filing jointly. When it comes to taxes and marriage, here are some things you should consider:

If both spouses earn wages, you'll want to review your withholding rates, which may need to be adjusted to account for your new joint filing status.

With a higher combined income, you may be bumped into a higher tax bracket and may find yourselves subject to the 0.9% additional Medicare tax.

Married Filing Separately

While most couples benefit from filing a joint tax return, some may benefit from filing separate returns. This is known as married filing separately and can help when one spouse has significantly more income than the other, or if one person has sizable medical expenses.

Make this decision with your tax professional because married filing separately has its drawbacks, including losing the ability to claim certain tax credits.

Tax-Favored Benefits

Be sure to review your workplace benefits now that you're a couple.



Marriage is a life change that generally allows you to make plan modifications immediately, instead of waiting for the next open enrollment period.

Considerations include coordinating health care coverage and flex spending account contributions. Just like your tax withholding, you'll need to analyze how these tax-preferred benefits fit into your new lifestyle. And don't forget to update beneficiary information on your retirement accounts and insurance policies.

Of course, you know that it is important to work together on your finances and agree on financial priorities. Work with a financial and tax professional from the start to help make the most of your finances.

What is the Average Cost of a Wedding?

The average cost of an American wedding varies depending on the location, venue and number of guests. In 2024 the average wedding cost \$33,000 according to a survey of couples married in 2024. This is projected to be \$36,000 in 2025.



Costs fluctuate significantly by region. For example, the cost for a 2025 wedding in New York is projected to run closer to \$65,000, while in less expensive states, it could cost as little as \$16,000 to \$20,000.*

*2025 The Knot's Real Weddings Study and Zola Wedding Planners

FAFSA: The Sooner the Better

If your child will attend college in the fall, now is the time to get started with the process of applying for financial aid. The FAFSA — Free Application for Federal Student Aid — becomes available on October 1.

Although the federal filing deadline isn't until June 30, filling out the application early can prevent your child from missing out on aid that's already been awarded. Colleges and states may have their own FAFSA deadlines.



Documents to Gather Before You Start

- Student and parent Social Security numbers
- Alien registration number if you're not a U.S. citizen
- Student's driver's license number
- Parent and student federal tax returns
- Records of any untaxed income, such as child support
- Checking/savings account balances, investments, real estate (other than your home) and business or farm assets
- List of schools where the FAFSA should be sent

You can access the FAFSA at studentaid.gov.

Is Life Insurance Optional?

Everyone hopes to live a long and healthy life. But the fact is, there are no guarantees. Would your family or business survive financially if you died suddenly or your company lost a key employee? Life insurance is designed to provide for families or businesses if the unexpected happens. Life insurance protects your family or business by offering a cash benefit upon the death of the insured. Consider these key reasons for purchasing life insurance.

For Individuals

Life insurance can be used to:

- Cover funeral and burial expenses. The basic funeral cost averages \$10,595.* Life insurance proceeds can be used to cover expenses, leaving more of your assets intact for your family.
- Replace income. Proceeds can help your family maintain its standard of living after the loss of your income.
- Pay for your children's college educations. With one less income, saving for college may be difficult for your spouse.
- Eliminate debt. Your spouse can use the benefit to pay off a mortgage or settle other debts.
- Consider purchasing a life insurance policy on a non-working spouse as well. If your spouse dies, the proceeds can pay for services such as child care and housekeeping.



- Attract and retain key employees with deferred compensation that's funded with life insurance.
- Provide cash to equalize an inheritance when leaving your business to one of your children.
- Fund an executive bonus plan in which the company compensates key executives for life insurance premiums and tax liabilities, enabling the valued employee to own additional life insurance.



If your business has several key employees, you might save money by purchasing a first-to-die policy. The policy covers the first person to die, then remains in effect to cover another key employee. Although the policy provides coverage to several employees, the premiums reflect that only one person at a time is covered.

For Business Owners

Life insurance is a funding tool that has many applications for small business owners. The proceeds can be used to:

- Provide cash to help compensate for losses incurred due to the unexpected death of a key employee. The death benefit could also be used to buy out a deceased partner's interests or train a new employee.

**National Funeral Directors Association, 2025*

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ADVERTISING REGULATION DEPARTMENT REVIEW LETTER

April 24, 2025

Reference: **FR2025-0408-0172/E**

Org Id: 23568

1. LTM 2025 SEPT - OCT Insurance
Rule: FIN 2210
5 Pages

The communication submitted appears consistent with applicable standards.

Reviewed by,

Jeffrey R. Salisbury
Principal Analyst

Reminder: The fee charged for Regular filings submitted to the Advertising Regulation Department on January 1, 2025 and after, will increase from \$125 to \$300 (for the first 10 pages/minutes). The fee of \$10 per additional page/minute has not changed. The filing fee for expedited filings will remain at \$600 (for the first 10 pages/minutes) and \$50 per additional page/minute. Please see <https://www.finra.org/media-center/blog/funding-finras-mission-111224> for more information.

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