

LET'S TALK FINANCIAL WELLNESS®

November/December 2025

Your Year-end Business Plan

If you own a small business, reducing your 2025 tax bill and planning for a successful new year should be on your radar as the current year draws to a close.

Check Your Records

Start by making sure your books are accurate and up to date. Consult your tax professional to resolve any questions you have before tax season arrives so you're not left trying to sort things out at the last minute. Reviewing both your income statement to get a handle on profits and losses and your cash flow statement to see how money was spent can help you plan for next year.

Defer Income

One way to lower this year's tax bill is by deferring income to the beginning of 2026. This tactic makes sense, especially if you expect your income to be less next year.

Increase Deductions

Purchasing supplies in advance and upgrading equipment before the end of the year may help you maximize deductions on your 2025 return, assuming you pay for them before year's end.

Contribute to a Retirement Plan

You can reduce your 2025 income by making contributions to your retirement plan. Contribution limits vary, depending on the type of plan. Your financial professional can let you know how much you can contribute.



Consider Your Workspace

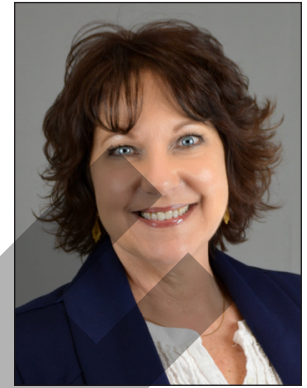
If you're self-employed or you work from home and have a dedicated room or space for conducting business, you may be eligible to take the home office deduction. Rules for claiming the deduction are specific, so consult your tax advisor.

Deduct Bad Debt

On occasion, your business may have customers who have not paid you for goods or services within a reasonable period. If you have unpaid invoices and no reasonable expectation of payment, you may be able to deduct the debt on your tax return.

Revisit Your Goals

Year's end is an appropriate time to look at the goals you set for the year and assess whether you achieved them. If your goals fell short of your expectations, determine the reasons. Then think about the steps you can take in the new year to position your company to thrive.



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Small Business Version



Surprise — It's Taxable!

It's almost that time of year when you and the IRS must settle what you owe — or what the government owes you. Before you prepare your tax return, consider whether you'll need to include any of the taxable items listed below.

- Social Security benefits
 - Unemployment benefits
 - Portion of a scholarship that covers expenses other than tuition, fees, and books (e.g., room and board, travel, etc.)
 - Canceled debt from credit cards, car loans and mortgages (Student loan debt is exempt.)
 - Honors with cash prizes
 - Certain alimony payments
 - Gambling winnings (lotteries, horse racing, casinos, sports betting, etc.) Some losses are deductible.
 - Gifts from an employer that reward an employee for services or help promote the company
 - Found property
 - Bartered property or services in lieu of cash
- Consult your team of advisors to determine which items you should include when preparing your income tax return.



Smart Budgeting Tips After the Holidays

The holiday season often leads to overspending, leaving many feeling financially strained afterward. To get your finances back on track, start by reviewing your expenses and creating a realistic budget. List all sources of income and categorize your expenses, including essentials, debt payments, and discretionary spending.

Identify areas where you can cut back, such as dining out, entertainment, or non-essential shopping. Setting specific savings goals—like building an emergency fund or paying down debt—can motivate disciplined spending. Automate your savings by setting up automatic transfers to your savings account soon after payday.

Track your spending regularly to stay accountable and adjust your budget as needed. Consider using budgeting apps to monitor

your progress effortlessly. Avoid impulse purchases by making shopping lists and sticking to them. Review and revise your budget monthly to reflect changing expenses and financial goals.

By implementing these tips, you can regain control over your finances, reduce stress, and set a solid foundation for a financially secure year ahead.



Preparing Financially for Winter

Severe winter weather can create havoc both personally and financially, so it makes sense to prepare for the season by looking at ways to keep ice, snow and extreme cold at bay and save some money in the process.



Serious Stuff

A fluffy snowstorm may fill children with joy, but severe snow, ice and cold are not laughing matters. They can increase vehicle accidents and cause property damage, hypothermia, heart attacks and carbon monoxide poisoning. They can create power outages that last for weeks. The following tips and the federal government website www.ready.gov/winter-weather can help you prepare and survive severe winter weather.

Prepare

Ice storms, high winter winds and heavy, wet snow can cut off your power, so it makes sense to consider your options to deal with them. Caulk leaky windows and weather-strip your exterior doors to keep the cold out and heat in. If power outages are common, consider buying a gas

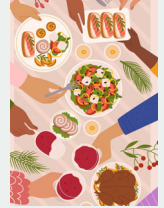
generator, but make sure to keep it outside your home to vent.

Make sure your storm drains are clear of debris so water can flow off your roof properly during a warm-up, and clear your walkways to prevent serious slips and falls, as well as potential financial liability. Check that you have the right amount of property and liability insurance, and consider disability income insurance.

Survive

Make sure smoke and carbon monoxide detectors are working, and clear your heating system's outdoor vents to let the poisonous gas escape. If you live in a heavy snow area, keep a roof shovel to prevent collapses. Create an emergency survival kit in case you become stranded in your vehicle.

Successful Grocery Budgeting



Holiday grocery shopping can destroy your food budget in the blink of an eye. Save at the supermarket with these timely tips.

- Plan your menus so you're buying only the items you'll need for holiday meals and gatherings.
- Take inventory of the ingredients you already have on your pantry shelf.
- Check store flyers to see if any items you need are on sale. Use coupons.
- Create a shopping list and strictly follow it. No matter how tempting, buying extra items that are on display can put you over budget in no time.
- Shop at multiple stores to get the lowest prices.
- Score free food. Stores often have promotions around the holidays offering a free item when you spend a certain amount within a specified time frame.
- Think outside the supermarket. Drugstore chains sometimes have great deals on staples, such as baking supplies, mixes, and beverages.

Ways to Curb Holiday Spending

Although the winter holidays aren't here yet, now is a great time to prepare financially for them. For many people, this means starting with a plan, creating a budget and sticking to it. Here are a few ways you might accomplish this.

Be Accountable

Set a holiday budget. Create a list of items you intend to buy with expected prices, and match the total cost to your budget. Hold yourself accountable. If it's not on the list, don't buy it. Try this exercise weekly to keep your spending goals front and center.

Be Thrifty

You can find coupons for just about anything online, in print and through apps. Many stores also offer cash and discount rewards, but beware of the many that won't honor multiple promotions. Also, don't buy a sale item if it wasn't on your original list, no matter how low prices go. No discount is more than the 100% you save by not buying an item.

Be Card-Smart

One of the easiest ways to not overspend during the holidays is to leave your credit cards at home. It's hard to exceed your budget when you only have cash. If you do use a card, use those with the best cash-back offers for additional savings, and pay your cards off in full each month.

Be Money-Smart

If the thought is what counts, consider baking cookies and gifting them in a nice tin during the holidays. Have to give multiple gifts at work? Re-gift unused gifts you received in the past (but remember who gave you what the year before).



Integrate Personal with Business Financial Planning

As a business owner, you may be caught up in end-of-year planning for your business. But personal financial planning is equally important. As you work with your financial and tax professionals to plan for your business, consider what you need to do to stay on track with your personal finances, too.

Start with Your Goals

Think about what you'd like to accomplish in the coming year. Do you want to increase your savings? Buy a second home? Start a college fund for your children or grandchildren? Once you've defined your goals, find a balance between investing in your business and allocating money toward your personal financial plan.

Build a Bigger Emergency Fund

Because any business can have an off year, it's essential to maintain adequate personal reserves to weather a downturn.

While a general rule of thumb is to have at least six months' worth of expenses saved in a cash account, business owners may want to exceed that amount. Building a large emergency fund can help ensure that you have enough personal savings to maintain your lifestyle if business income doesn't meet your projections.

Plan for the Future

Consider whether the mix of stock and fixed-income investments in your portfolio

fits your current risk tolerance and your time frame for needing the money. Be cautious about investing in companies from the same industry as your business. A sudden industry downturn could affect both your business's profits and your portfolio's returns.

Fund Your Retirement

Adding money to an existing retirement account or setting up a new plan may reduce your tax bite. Two plans to consider: A SEP IRA allows you to contribute to the plan for your employees and

yourself. If you don't have employees, a Solo 401(k) plan allows you to maximize your contributions because you're contributing to the plan both as employer and employee.

Think About Estate Planning

Planning may minimize estate taxes and provide for your beneficiaries. A buy-sell agreement funded with life insurance transfers your interest in the business to a partner or family member, while providing liquidity for your heirs.



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ADVERTISING REGULATION DEPARTMENT REVIEW LETTER

June 27, 2025

Reference: **FR2025-0617-0138/E**

Org Id: 23568

1. LTM-173 Nov Dec 25 Small Business
Rule: FIN 2210
5 Pages

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

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.

Please send any communications related to filing reviews to this Department through the Advertising Regulation Electronic Filing (AREF) system or by facsimile or hard copy mail service. We request that you do not send documents or other communications via email.

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