

# LET'S TALK MONEY<sup>®</sup>

## Article Summaries

May/June  
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<sup>®</sup>** newsletter, make  
changes to your existing newsletter,  
please inform LTM Client Marketing by:

**March 10, 2025**  
for new subscriptions

**March 14, 2025**  
for existing subscriptions

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## Standard Financial Topics

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[COVER PAGE]

### Exploring Fixed Income

Investors nearing retirement often consider bonds, but this asset class encompasses a few different types of investments. Choosing the right type of bonds that match your goals is important.

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### Diversify Your Investments

Mutual funds and exchange-traded funds (ETFs) are both baskets of individual securities that offer a variety of asset classes that can help investors diversify their portfolios. But they have differences that could make one option preferable for a particular investor.

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## Retirement Planning

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[COVER PAGE]

### Work Together When Saving for Retirement

It's not unusual for couples to have varying interests, but when it comes to your retirement savings, it is important that you work together and agree on financial objectives and strategies.

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### Balance Saving for College and Retirement

Summer vacation is almost here. How long before you have a graduate heading off to college? It always comes faster than we'd like. So does retirement. Will you be ready?

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## Small Business Needs

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[COVER PAGE]

### The Work Opportunity Tax Credit Extended

Hiring people with significant barriers to entering the workforce could earn a tax credit for your business. The credit is for each qualifying hire and is available through the Work Opportunity Tax Credit (WOTC), which was extended through 2025.

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### Play the Long Game

The time and effort you've invested in your business are paying off. But with so much to do, it is often difficult to plan for your financial future. You might consider strategies that use business dollars to fund insurance and retirement benefits.

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## Legacy/Insurance Planning

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[COVER PAGE]

### Do You Need a Trust?

One of the more common and effective trusts offering tax advantages and control over how assets are distributed to beneficiaries is an AB trust, which is also known as a credit shelter or bypass trust.

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### Estate Planning: More Than a Will

Your will is a basic estate planning document. Additional essential documents most people should have include a financial power of attorney, and a health care proxy.

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## Inside Articles

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### ABCs of HSAs

As healthcare costs continue to rise, one good thing has come out of this recent turmoil: Health Savings Accounts (HSAs). A benefit 401(k) plan, HSAs are growing both in the number of accounts and average contributions made to them.

### Time for an Insurance Audit

Summer is around the corner and wind, rain and firestorms will follow. Even if you understand the need for property and health insurance, you may find yourself uninsured or underinsured for certain events.

### How Much to Invest in an HSA

While more people are using Health Savings Accounts (HSAs) to help pay rising healthcare costs, many of them are not familiar with the investing options they may have available to them.

### Major Reasons Gen Z and Millennials Have Life Insurance

Millennials and Gen Z have similar insurance needs, but differ when it comes to prioritizing their needs.

**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 In Real Estate

If you're looking for another way to diversify and grow your wealth, consider some of the most popular avenues in real estate investing.

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### Misconceptions Holding Young Women Back

Despite inroads working women have made in recent years, according to the American Association of University Women (AAUW), on average, they still earn 83 cents for every \$1 a male counterpart earns. The gap is wider for working mothers.

## Inside Articles

### A Generation-skipping Trust May Be A Smart Move

This unique trust allows you to transfer assets to beneficiaries two or more generations younger than you — your grandchild or great-grandchild, for instance (or anyone else at least 37.5 years younger than you — In a tax-advantaged way.

### Act Now To Avoid Retirement Savings Mistakes

Successful retirement planning takes more than simply putting money away in a tax-advantaged retirement plan account. It also includes periodically asking yourself critical questions to avoid common retirement misstep.

### Choosing A Health Savings Account

Health Savings Accounts (HSAs) are unique in that besides helping you manage healthcare costs effectively, they also offer triple tax advantages: Contributions are tax-deductible, growth is tax-free, and withdrawals for qualified expenses are tax-free.

### A Rope Or Quicksand?

With today's home prices, you may be considering helping your child with a down payment for their first home. It's a generous gesture but without forethought, a financial windfall of this amount might sink some offspring into a hole of bad financial decisions.

**LET'S TALK MONEY**  
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### INVESTING THE WORLD 'ROUND

If you want to diversify your investment portfolio further, international stocks may be an exciting option. While investing in stocks overseas has advantages and risks, the potential for higher returns and greater portfolio diversification makes it a compelling consideration.

**On the Plus Side**  
By taking on the growth of emerging markets or the stability of established global markets, you may benefit from opportunities not available in U.S. markets. The diversification can also hedge against domestic economic downturns and currency risk.

**On the Minus Side**  
Investing in international stocks comes with its own set of challenges. Political instability, currency fluctuations, and varying regulatory environments can impede international investments. To invest effectively, you may need to consider the economic conditions of any country you're considering investing.

**Assess the Exposure**  
When starting with international stock investments, you should assess various factors. One approach is to invest in American companies with overseas operations.

**Why the Surprise?**  
Work bonuses are classified as supplemental income subject to federal income tax withholding. They are also subject to Social Security and Medicare taxes, and in some cases, state taxes apply. The IRS provides employees with specific guidelines outlining the methods for calculating federal income tax on supplemental wages.

**Handling the Influx of Cash**  
So, that's that for the tax side of the story, what will you do with your windfall? Consider

**HOW BONUSES ARE TAXED**

Many employees 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 "handout."

receiving yourself in some small way, such as a weekend away or that electronic device you've wanted.

Combining the wind to the advantaged accounts such as a 401(k) or IRA is a good move. By contributing at least part of your bonus to these accounts, you save for your future and may offset some of your tax for the year.

Another way to minimize the tax impact is to consider charitable contributions. Donating a portion of your bonus to qualified charitable organizations not only incurs meaningful credits but also provides a deduction that can lower your taxable income.

While you won't reduce taxes, you may want to use some of your bonus to pay off a high-interest credit card or student loan.

So, called not to become silent on annual bonuses. In light of economic times, bonuses can be reduced or even suspended.

the choice is yours. But being strategic with your bonus can lead to substantial financial benefits.

**INVESTING THE WORLD 'ROUND**

includes to various countries and markets.

**Taxes**  
Also, consider potential tax implications and foreign withholding taxes that could impact your investment returns.

Some countries impose withholding taxes on dividends and capital gains, which can affect the overall performance of an international investment. Your tax professional can provide guidance.

By carefully evaluating the options available with your trusted financial advisor, understanding the associated risks, and staying informed about global market conditions, you can decide whether investing in international stocks is right for you.

Classification cannot eliminate the risk of investment losses. Past performance won't guarantee future results. An investment in stocks or mutual funds can result in a loss of principal.

The risks of investing internationally include changes in currency rates, foreign taxation, and differences in auditing and financial standards.

Investors should read the prospectus and consider the investment objectives, risks, charges, and expenses of the fund before investing.

Because mutual fund values fluctuate, redeemed shares may be worth more or less than the fair market value. Past performance won't guarantee future results.

Index*	Represents	Sample Of Component Listed
Hang Seng (HSI)	65% of the Hong Kong Stock Exchange, the most prominent in Southeast Asia and Bank of China.	HSBC, China Construction Bank, Industrial and Commercial Bank of China, and Bank of China.
FTSE 100	80% of the total value of the London Stock Exchange	HSBC, Royal Dutch Shell, and BP make up the bulk of this index.
DAX 30	German Stock Market	Bank, Deutsche Bank, Allianz, Deutsche Post, Henkel
CAC 40	(European Paris Stock Market)	L'Oréal, Renault, and Michelin
Euro STOXX 50	50 largest European Companies (France and Germany account for almost 70% of capitalization)	Deutsche Post, Deutsche Telekom, SAP, Siemens, and Volkswagen Group
Bovespa (IBOV)	S&P 500 Stock Exchange (52 of the largest listed companies in Brazil, a major macroeconomic indicator in Latin America)	Petrobras, B3, Unibanco, Ambev, Vale, and Sanebranca Bracel

Source: IBIS Intelligence survey, 2022

**RETIREMENT PLAN**

Current needs:

- Reviewing and making estate goals or estate documents to reflect current net worth and concerns.
- Updating insurance.
- Keeping current with the cost of healthcare.

By staying informed and proactive, you can reap the benefits of retirement planning with confidence and peace of mind.

High Net Worth Version  
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