LET'S TALK MONEY®

March/April 2020

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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.

Pay It Off or Invest?

Should you pay off your low-interest student loans first or make smaller payments and put the difference toward long-term goals, such as retirement?

Look Short Term

Student loan balances may be at record highs, but this may not necessarily mean that paying off student debt should be a borrower's top priority. With interest rates on federal student loans still low, it may make more sense to pay the minimum monthly bill (or more if you have the extra cash) and put what's left toward other financial goals.*

In the short term, you might want to create an emergency fund that's large enough to fund a few months of expenses should unemployment, disability or another financial crisis occur. This makes sense because using cash you've already saved for emergencies will cost less in the long run than running up high-interest credit card debt.

Look Long Term

Down the road, you might want to target other financial goals, such as saving for a down payment on a first home or putting money away for retirement. While millennials may believe they have plenty of time, a look at some numbers pulled from http://investor.gov may surprise them.

Let's say you have an extra $200 monthly and you put it into a traditional IRA. If you do this every month over 20 years and earn 6% compounded monthly, you would invest a total of $48,000 and see your IRA grow to more than $92,000. If you do the same for 30 years, $72,000 in contributions would grow to almost $201,000.**

Look at an IRA

As luck would have it, you can contribute up to $6,000 ($7,000 if at least age 50) annually. Better yet, you can still contribute for tax year 2019 up to your tax-filing deadline and reduce last year's tax bite if you qualify. At the same time, you may also contribute for tax year 2020. Talk to a financial professional to learn more.

** The sender of this newsletter does not issue or advise with regard to student loans.*

*** This information is intended to be for illustrative purposes only and does not reflect any particular investment or investment needs of any specific investor.*

FINRA Reference FR2019-1007-0057/E STAN

Standard Version

LTM Client Marketing

Partners in your marketing success

7 Last-Minute Tax Breaks

If you haven't filed your 2019 federal tax return yet, the Internal Revenue Service offers some reminders that may help reduce your income taxes for the year, but don't forget to consult a tax advisor about your individual tax picture, too. Here is a sampling of tax breaks that may help you reduce your 2019 tax bill.

- There are few limits to the amount you can deduct when you itemize on your tax return, thanks to the Tax Cuts and Jobs Act.
- Limits have risen not only for income tax brackets and the standard deduction, but also for tax deductions like the Lifetime Learning Credit.
- The maximum credit allowed for adoptions is the amount of qualified adoption expenses up to $14,080, up from $13,810 the previous year.
- The Health Flexible Spending Account (FSA) saving limit rose to $2,700.
- The Health Savings Account (HSA) contribution limit increased to $7,000 for family coverage and $3,500 for single coverage. Out-of-pocket limits also increased slightly.
- If you receive alimony payments according to an agreement that was new or suitably modified in 2019, you won't owe federal income taxes on the amount.
- You may deduct amounts over 7.5% of your adjusted gross income for medical expenses.

Protect Yourself in Cyberspace

Data breaches continue to make news, putting millions of Americans' financial information at risk. How can you help safeguard your vital financial information if you do business online?

Take Precautions

Most financial institutions will send you alerts about various account activities, including withdrawals over a certain amount and unusual credit card charges. Some may offer this automatically, while most will allow you to opt in to alerts.

When dealing with financial accounts online, always make getting to your information as hard as possible for those who would do your financial reputation harm. This means using double verification, including having a code texted to your email or smartphone, and using a password manager to change the password each time you visit.

Don't forget to check your accounts regularly, monitor your credit rating for suspicious activity (including fraudulent new accounts in your name) and shred any hard copies with identifying financial information that you receive by mail — even new credit card offers.

Stolen Info?

If your credit information is stolen, report it immediately to the police. This is theft. Also report the theft to the affected financial institution and major credit monitoring agencies. You have the right to freeze your account for any reason and it's free, making this a possible option if you know hackers stole your information. Know, though, that if you seek credit, the credit agencies can't give your financial information to anyone until you unfreeze your credit information.

Money Hacks to Simplify Your Life

Life is nothing if not busy, so we often can't find the time we need to take care of financial tasks, whether big or small. Consider these ways to save time.

Modernize

Many financial institutions have smartphone apps that let you do almost everything from getting statements to making deposits. But if you don't trust the apps yet, consider checking out how today's ATM machines let you take withdrawals, make deposits and more.

Shopping is also faster online, but even major brick-and-mortar retailers are reducing checkout times with do-it-yourself checkout scanners. Also explore apps that simplify your budgeting, track your expenses and organize multiple investment accounts.

Automate

If you're like many people, you use direct deposit for your paychecks. Why not ask your employer or financial institution to automatically put a portion of them into savings? You might also automate your 401(k) contributions to increase when you receive a pay raise and rebalance your portfolio periodically. And if you don't pay your bills online yet, consider this option.

Consolidate

Most insurance companies will give you a discount if you buy multiple policies from them, such as home and auto insurance. If you have multiple credit cards, consider merging them into one low-interest rate card. While on the subject of credit cards, consider those that offer rebates and cash back (along with low interest rates). If you don't get your phone and television from one provider, consider it because most will offer a discount for a package plan.

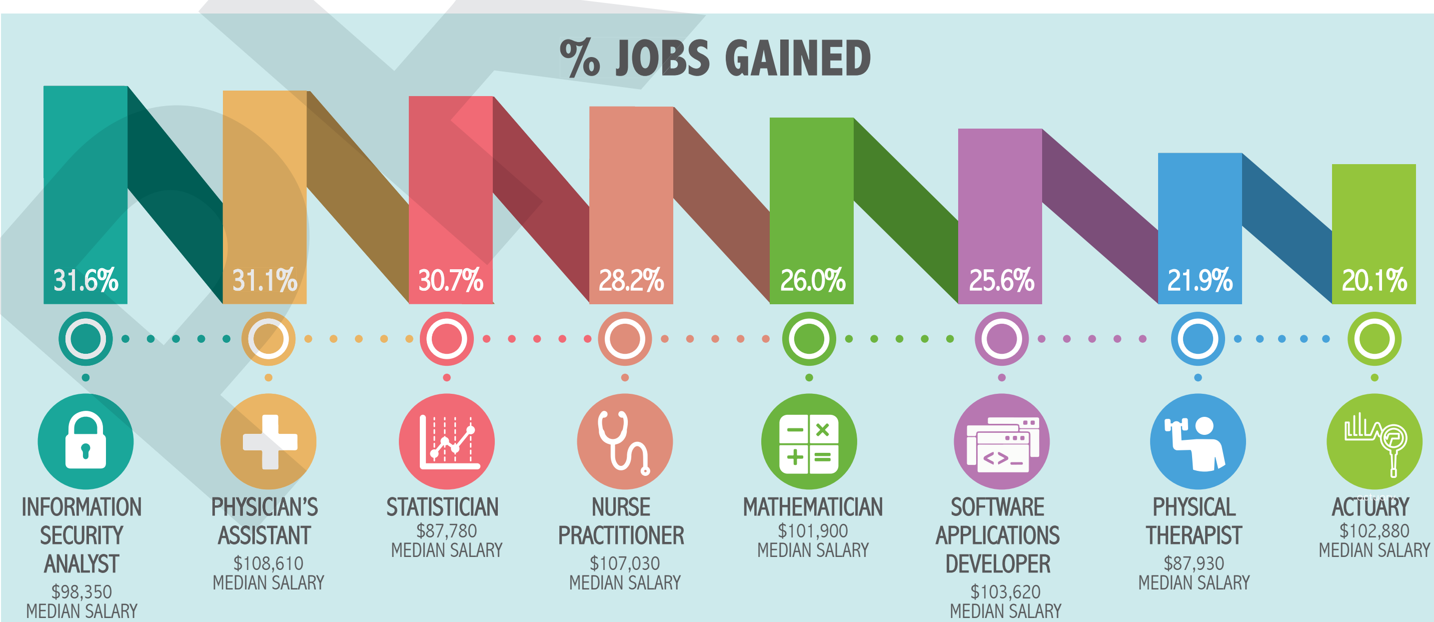
5 Ways to Cut College Costs

If you have a child who is a junior in high school, you may have road trips to explore colleges on your schedule in a few months. Before deciding on a school, explore ways you can cut increasingly expensive college costs.

1. **Stay home.** Some state colleges and universities offer scholarships to keep top-performing in-state students at home.
2. **Commute.** If your child attends a college close by, commuting could save a bundle on room and board costs.
3. **Look at Community Colleges.** Community college is a cost-effective way to gain the general credits most colleges require. Really ambitious high school students can also get community college credits at night and during the summer while in high school.
4. **Take AP Courses.** If students take advanced placement (AP) courses in high school and pass a standardized AP exam for the subjects taken, they can gain credits most colleges will accept.
5. **Shorten College.** An aggressive schedule combined with credits gained from community college and AP courses can help some students get a bachelor's degree in three years, reducing expenses by about a quarter.

Fastest-Growing Occupations

Another way to make college cost-effective is to explore whether your student is working toward a degree in a growing or shrinking industry. Take a look at the projected growth to 2028 salaries and the 2018 median income, for these jobs:



https://www.bls.gov/emp/tables/fastest-growing-occupations.htm

Hitting Your Investing Target

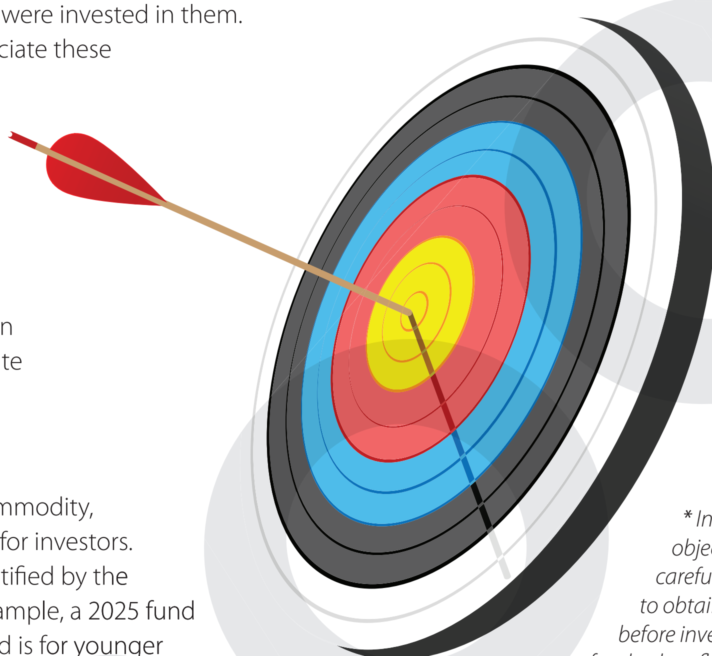
If you lack the time to allocate your retirement plan assets on your own, target-date mutual funds* may be an option for you. Similar to age-based, lifecycle and target-risk funds, target-date funds are designed to follow an investing path that changes when risk tolerance and time horizons change.

Popular Choice

The *401(k) Plan Asset Allocation, Account Balances, and Loan Activity in 2016* report from the Employee Benefit Research Institute (EBRI) and the Investment Company Institute (ICI) found that three-quarters of 401(k) plan participants studied had access to target-date funds and 21% of assets were invested in them. While some people may associate these funds primarily with older employees, the analysis found that about half of the 401(k) assets of participants in their twenties were invested in target-date funds at the end of 2016. About 18% of those in their 60s invested in target date funds.

Pros and Cons

In a world where time is a commodity, target-risk funds do the work for investors. These funds are typically identified by the target retirement year. For example, a 2025 fund is for near-retirees, a 2060 fund is for younger investors and there are a host of options in between. Generally, they start with a balanced portfolio that may include stock and bond mutual funds, and that mix becomes more conservative as the target date nears. Target funds rebalance automatically, which is another convenient feature. Bear in mind, the principal value in a target date fund is not guaranteed at any time, including at the target date.



While this automatic approach to retirement investing has its advantages, it may not be right for every investor. If you plan to retire much earlier or later than normal retirement age, which is currently 67 for most workers, the fund's asset allocation may not fit your time horizon. Another potential disadvantage is that you still need to integrate target funds with other retirement investments to ensure you remain on track. Your financial professional can tell you more.

** Investors should consider the investment objectives, risks, charges, and expenses of the fund carefully before investing. Contact the issuing firm to obtain a prospectus which should be read carefully before investing or sending money. Because mutual fund values fluctuate, redeemed shares may be worth more or less than their original value. Past performance won't guarantee future results. An investment in mutual funds may result in the loss of principal.*

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Your feedback is very important to us. If you have any questions about any of the subjects covered here, or suggestions for future issues, please don't hesitate to call. You'll find our number on the front of this newsletter. It's always a pleasure to hear from you.

ADVERTISING REGULATION DEPARTMENT REVIEW LETTER

October 11, 2019

Reference: **FR2019-1007-0057/E**

Org Id: 20999

1. 2020 Lets Talk Money March/April Standard
   Rule: FIN 2210

The communication submitted appears consistent with applicable standards.

Reviewed by,

Wayne L. Louviere
Manager

hrm

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