

# LET'S TALK MONEY<sup>®</sup>

May/June 2020

## Annuities for Longer Lives

Fewer Americans can count on a guaranteed retirement income these days other than social security benefits, which are little more than a safety net. A fixed annuity\* can help offer this certainty, but some financial consumers don't want to tie up all of their retirement money in one place. For these people, converting a portion of 401(k) plan or IRA balances to a fixed annuity may make more sense. There are a couple of ways to do this.

### A Matter of Time

Annuity income payments can begin in one of two ways. An immediate annuity begins payments to you immediately, as its name implies, and a deferred annuity begins paying you at a future date. You get the annuity's guaranteed interest rate credited to your account balance during the accumulation phase, then receive a fixed income payment based on the rate, when payments begin, and the length of the annuity contract.

### Varied Options

Because time is so important, how and when you structure your annuity payments will matter, with longer terms resulting in lower periodic payments. So you might buy an immediate annuity by partially converting other retirement money, leaving open the possibility of converting more at a later date if needed.



Or you might purchase a deferred annuity that begins payments in 10 or more years, increasing the accumulation phase and reducing the payment term. You can use other money to purchase a deferred annuity at any time, even long before retirement, giving your annuity more time to potentially grow.

Annuities are complicated, but they can help improve your financial readiness in retirement.

Work with an insurance professional who can help you make the appropriate choice.

*\*Fixed annuity contracts guarantee a minimum credited interest. For immediate fixed annuity contracts, annuitants receive a fixed income stream based, in part, on the interest rate guarantee at the time of purchase. Annuity products are not FDIC-insured, and their contract guarantees are backed solely by the claims-paying ability and strength of the issuing life insurance company. Withdrawals prior to age 59½ may result in a 10% federal tax penalty, in addition to any ordinary income tax.*



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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.

Insurance Version

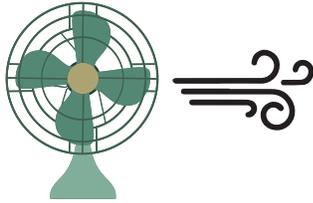
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# Summer Cooling Tips

The high heat of summer can affect your pocketbook in many ways. Consider these money-saving tips:



## INDOORS

- Grill your meals outdoors to keep the kitchen cool.
- Use insulated curtains on windows where the sun hits the hardest.
- Keep the windows shut when your house is cooler than outdoors, but open windows when outside temperatures cool.
- Caulk windows, doors and air conditioning spaces to keep the heat out and cold in.
- Close vents and doors in unused spaces of your home.
- Use fans to aid the air conditioning.
- Service your air conditioner annually.
- Upgrade to a smart thermostat.



## ON THE ROAD

- To save fuel and prevent breakdowns, tune-up your vehicle regularly, change oil and air filters, service the air conditioner, inflate tires properly and follow the manufacturer's specifications for additional upkeep.
- Open the windows to let the hot air out before blasting your vehicle's AC, then close them.
- Close fresh air vents to keep the hot air out or open them and turn off the AC when cooler outside.
- Park in the shade and garage when possible or use a sunshade when you can't.
- Avoid quick starts and stops, use the cruise control and reduce your speed.



## OUTDOORS

- Keep hydrated and use sunscreen.
- Limit consumption of caffeine and alcohol, which can trigger dehydration.
- Wear a sun hat and light-colored cotton.
- Stay in the shade as much as possible.
- Exercise indoors or early morning or late evening.
- Use products like wearable ice and personal fans to help keep you cool.
- Be aware of the signs of heat exhaustion, which include heavy sweating, rapid pulse, dizziness, fatigue, cool, moist skin with goose bumps, muscle cramps, nausea and headache.

# Summer Spending Tips

With school out and vacations near, it's easy to see how summer can blow a hole in the family budget. This summer, consider a few ways you can have fun near home and control your spending, too.

## SAY HI

Many towns and some cities host free movie and concert nights, and a few even have periodic fireworks displays. Meet your neighbors in the process and you win all around without opening your wallet.

## BE FESTIVE

Summer is dotted with food, music and wine festivals throughout the country. If you control the urge to buy everything in sight, these can be a good way to spend a day in the fresh air and enjoy free samples, too.

## HAVE A PICNIC

Another way to enjoy the outdoors at low cost in the summer is to picnic in the many parks around the country. Invite family or friends and include a scenic hike, refreshing swim or bike ride for an added health benefit.

## BRING YOUR OWN

Fill your cooler with snacks and drinks when driving to any of these activities to save on the cost of buying them on the road. A quick stop at a scenic rest area can be fun and rejuvenating during those long rides.

# Tax Help after Disasters

When natural disasters disrupt our lives, the last thing we think about is our taxes. While you'll still have to pay taxes and file tax forms, the IRS and many jurisdictions offer some assistance during these trying times.

## Reconstruct Records

When a natural disaster destroys your federal tax records, the IRS has a number of ways to help you reconstruct them. Request help by mail or online at [www.irs.gov](http://www.irs.gov). Be prepared to give identifying information, including your social security number, date of birth and mailing address from your latest tax return.

## Check for Help

When the federal government issues a disaster declaration, the IRS generally offers extra time to file and pay taxes, and waives late filing and payment penalties. If you inadvertently receive a notice for late filing or payment during the grace period, call the IRS number on your notice to rectify the matter.

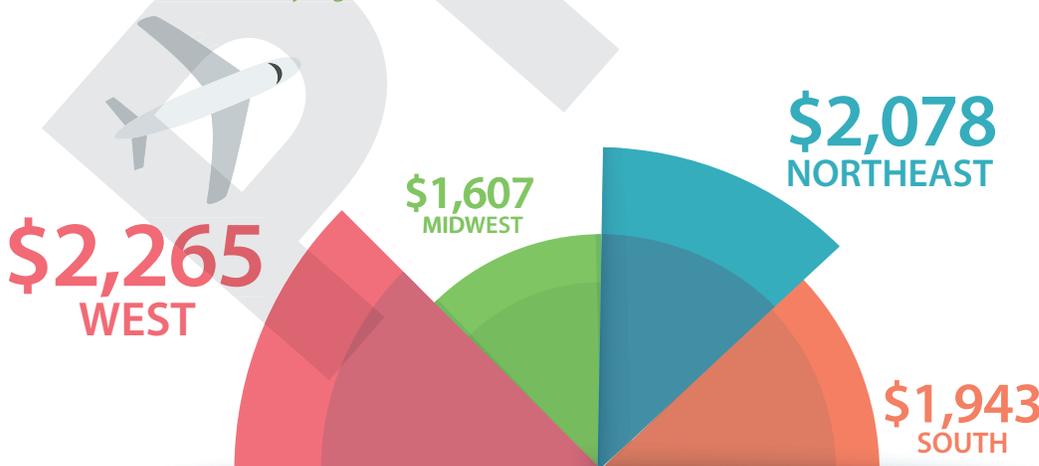
## Plan Ahead

While no one wants to incur a loss due to a natural disaster, individual and business taxpayers may receive tax deductions for allowable losses. IRS publications 584 and 584-B are workbooks that can help identify and calculate casualty, disaster and theft losses to reduce your taxes. Consult your tax professional for help.



# What Americans Spend on Vacation

The Bankrate Summer Vacation Survey 2019 asked Americans how much they expected to spend on their vacations, with the average coming in at almost \$2,000. These numbers differed by region.



# How to Save Money on Your Summer Trip

Summer vacations can eat up a family's budget in a hurry, so planning ahead and saving for more expensive trips is a necessity for most people. You can, however, take a few days off in the summer and not bust your budget in the process. For example:

- 01 Start Your Engines.** Airfare can cost a family of four a pretty penny, making driving a potentially cost-friendlier option. If you can drive to a summer vacation destination within a day, consider this option. Or better yet, change up your vacation plans and take a leisurely two- or three-day drive, stopping at points of interest or visiting friends and family along the way.
- 02 Use Your Points.** If you choose the multi-day drive, you'll need to sleep somewhere. Use your points to help pay for all or part of your lodging.
- 03 Find Coupons.** Look for coupons at interstate rest stops to reduce your lodging costs.
- 04 Stay Over.** Stay at the homes of friends and family that you visit along the way.
- 05 Go Bigger.** Rent a home or apartment, especially in higher-priced areas. You'll find their costs are similar to or slightly higher than staying in a hotel, but you'll save money by using the kitchen for meals and probably have more space. You might even double up with family or friends, splitting the cost of a multi-room house or apartment.

# Do You Have These Documents?

Life insurance is about taking care of those you leave behind, but it's not the only way to take care of the ones you love. Three legal documents – a will, powers of attorney and an advance directive – are essential elements in an overall strategy to protect the ones you love, providing a measure of certainty when you can't. An estate planning attorney can help you create and update these legal documents.

## Will

A will is the one estate planning document most people need, even when they don't have great wealth. More than a way to direct how your assets are distributed, a will can also provide crucial instructions for taking care of minor and special-needs children. Although you may need an estate plan for more intricate instructions, a will can provide basic information such as the names of potential guardians and directions for distributing assets to care for those left behind.

## Powers of Attorney

While a will may be the centerpiece of your estate strategy, financial powers of attorney name a person who will handle your financial affairs if you can't. Two common types of these assignments are limited and durable powers of attorney.

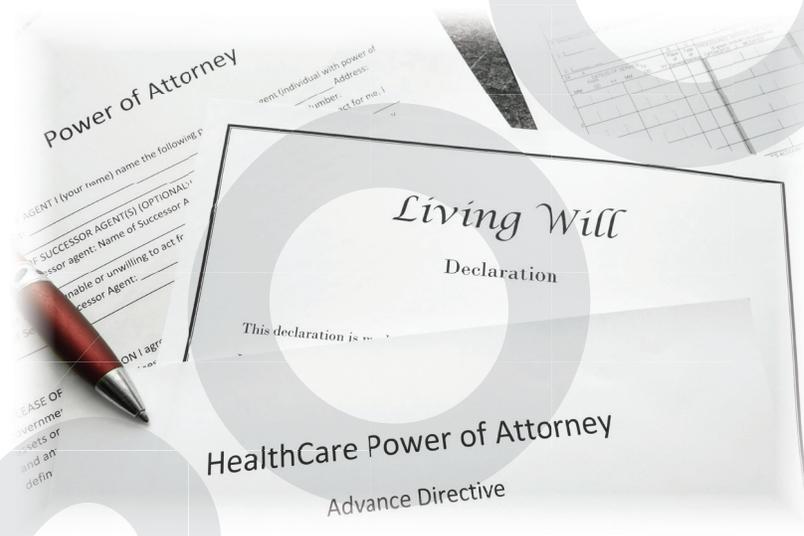
Singular events, such as an absence when signing a legal document is required, might activate limited powers. Durable powers of

attorney typically go into effect when people are incapacitated and can't make financial decisions for themselves. In the latter case, it is important to clearly define the incapacity that would activate the powers.

## Advance Directive

When you can't make healthcare decisions like end-of-life treatment for yourself, an advance directive can provide general guidance. For instance, you may not want resuscitation or ventilator assistance if you are nearing end of life or have suffered significant brain damage.

Alternatively, you can assign healthcare, or medical, powers of attorney to individuals who would make these decisions for you. Consult with your family and legal advisor to make these and other estate strategy decisions carefully.



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## ADVERTISING REGULATION DEPARTMENT REVIEW LETTER

January 08, 2020

Reference: **FR2019-1216-0017/E**

1. LTM May/June 2020 Insurance

Rule: FIN 2210

Dear Mr. Thuner,

The communication submitted appears consistent with applicable standards.

Reviewed by,

David Y. Kim  
Associate Principal Analyst

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*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.*

**NOTE:** *We assume that your filed communication doesn't omit or misstate any fact, nor does it offer an opinion without reasonable basis. While you may say that the*