



FINANCIAL
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Consider This Program: December 15th, 2020

“Two Certainties In Life: Death and Taxes!”

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In this week's episode, we will cover:

- **The death of deferral**
- **End of year tax planning**
- **The questions you should ask yourself for tax planning**
- **What to consider at the end of your career**
- **Tips for giving a eulogy on Zoom**

The Death of Deferral

You cannot escape the IRS. When you think about a 401(k), you're taking money today, and you're investing it into a basket where no taxes are currently due. Thus, reducing your taxable income today. However, you'll pay taxes on the contribution and the growth down the road. Approximately 54% of Americans don't pay marginal taxes. Yet, the money that is withheld for social security will be taxed. Anyone that has a W-2 is paying social security taxes, and that money isn't invested in your 401k returned to you directly.

Once you are forced to take your required minimum distributions (at age 72), the money is taxed at your then marginal rate. Marginal means the last dollar you earned and is taxed at the highest rate. The more money you make, the higher taxes you pay on the last dollar. Are taxes going to be higher or lower in the future? It depends! As incomes rise, taxes usually go up.

End of Year Planning

Contributing To A Roth IRA

Make sure you qualify income-wise for a Roth IRA. The higher your income, the less likely you qualify. Provided you have earned income, your AGI isn't too high, you can contribute to a Roth IRA. If your child is going to pay taxes, they can open a Roth IRA. The money you put into a Roth IRA does not have to be earned this year.

Review Your Beneficiaries

People die, and people get divorced. One estimate from an insurance company claims 68% of beneficiaries are dead. Make sure you check on your beneficiaries each year.

Rebalancing Your Portfolio

Rebalancing is having a fixed percentage allocated to different investments. At the end of the year, the stock market did well, so you sell stocks and buy bonds to balance it out. Joe doesn't like to sell things just because they are doing well.

Revisit Your Financial Vision

Definitely revisit your financial vision. You have to know where you are going – it doesn't have to be detailed. As you age, you should remember why you made the decisions that you made.

Roth Conversions

Roth conversions needs to be done before December 31st. You don't have to have earned income. You are taking money out of an IRA and converting it into a Roth IRA. There is no limit on these conversions.

Develop A Charitable Gifting Strategy

It's so easy to give money. However, you want to give your resources: time, energy, and money. When you give to twenty or thirty charities, you aren't spending time getting to know them. There are a lot of charities that will call you; however, it's great to find a focus because they want people who are going to be involved.

Questions You Should Ask Yourself

1. Has your tax filing status changed?
2. Did you take any extra distributions from your IRA or retirement plans?
3. Did you have any unusual market gains or losses?
4. Did you receive an inheritance?
5. Did you have a pension or social security that started this year?

Look for income variability. Did something happen this year that doesn't happen normally? There's a lot of tax planning strategies, and frankly, time is running out. You need to move quickly, but it's still possible.

The End Of A Career

We all exit our careers, our retirement, and our lives. It's the undeniable truth! Talking about the end of a career is worthwhile. We all have discretionary income; this spending peaks at 65. When people retire, new habits form. Success is never dependent on one thing, but failure can be. You never really get rid of a habit; instead, you replace it. If your habit is watching TV, you can replace it with reading. However, you don't stand idle during that time. Retirement will lead you to take different actions; think about the end of your career now.

Meet Joel Weldon

Joel has been paid to speak at over 3,000 events, has coached or critiqued over 10,000 speakers, and is the creator of Joel Weldon's Ultimate Speaking System for entrepreneurs on how to use speaking to grow their business and position themselves as experts at live events, webinars, videos, and podcasts. Joel's clients refer to him as their secret weapon for creating powerful presentations. Joel and Judy have been married since 1963, have two daughters and four grandkids. Joel and Judy are avid slalom water skiers, sky skiers, and wake surfers. They enjoy their houseboat at Lake Powell in Utah.

Tips For Eulogies On Zoom

Use your eyes and look at the camera when you're talking to someone on Zoom. Keep in mind that the person who introduces you is not your audience; the people who are tuning in are your audience. Again, eye contact should be focused on the camera. If you're doing a service on Zoom, don't use plurals. Use only you; it's a

powerful tool for the audience. Here's the truth; no one cares about you. You will not hear a great speaker say how they feel. Who cares? Instead, make your speech about the audience.

Financial Tidbits

- *"I use the Roth as a retirement option."* -Joe
- *"Sometimes, we intentionally sell things at a loss."* -Joe
- *"Rebalancing your portfolio on a quarterly basis isn't the answer."* -Joe
- *"Things happen, so think about your year-end tax planning."* -Joe

In This Episode:

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- [41:30] About Joel Weldon
- [44:40] Tips for eulogies on Zoom
- [54:10] Using humor in a speech

Links Mentioned:

- Joel Weldon's Ultimate Speaking System: <https://www.ultimatespeaker.net>
- Email Joel: JoelWeldonSpeaker@gmail.com

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We would love to answer your questions on air!

Call Angi at (800) 928-4001 or send them to TalkToFEG@yourlifeafterwork.com

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