

February 12, 2019



First Benefits Group, Inc.

It's a new year so we've decided to put a fresh look to our monthly Money newsletter to make it easier to read on your mobile device. We'll continue to provide timely, useful and interesting content. Thank you for your readership. If you have any questions or concerns please feel free to contact us at 941.361.3057 x4 or info@firstbenefits.net.

Terry O'Brien, Fran Lane, Gary Hickerson

[Visit our Website](#)

Upcoming Events

Medicare: Clearing Up the Confusion
Every Wednesday 11:00 a.m.

Social Security: Optimizing your Retirement Benefits
Tues Feb 12 & Thurs Feb 14 @ 4:00 p.m.

Understanding Long Term Care
Wednesday, February 13 @ 12:00 p.m.

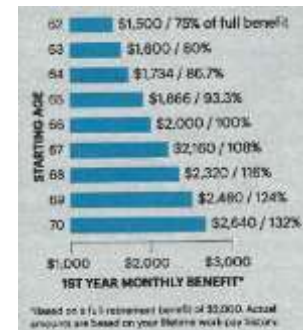
All seminars are held in our office
RSVP 941.361.3057 x9



Innovative Ideas About Money

1. When should you start taking Social Security Retirement Benefits? The math is clear: Waiting until age 70 if you can. That will maximize monthly and lifetime benefits, assuming you live to the average life expectancy of the people your age. Here is how the first year's monthly payment would differ based on the age you start receiving benefits. Data assumes full retirement age of 66 (those born between 1943 and 1954).

Source: AARP Special Report At A Glance, December 2018



2. Is an Umbrella Policy important? Umbrella insurance is extra liability insurance. It is designed to help protect you from major claims and lawsuits, and as a result, it helps protect your assets and your future. It does this in two ways:

- It provides additional liability coverage above the limits of your homeowners, auto, and boat insurance policies. This protection is designed to kick in when the liability on these other policies has been exhausted.
- It provides coverage for claims that may be excluded by other liability policies, including: false arrest, libel, slander, and liability coverage on rental units you own.



According to the Insurance Information Institute (www.iii.org), the cost of umbrella insurance is usually between \$150 – \$200 per million dollars of coverage. An inexpensive premium for a lot of coverage and peace of mind.

3. Life is Full of Choices Make Sure You Get the Big Ones Right!

- When is the Optimal time to Take Social Security?
- Making the right decisions on Medicare, Healthcare and Long Term Care
- When should I retire? Will my money last as long as I do?
- Discovering how to make money more efficient without taking undo risk
- Do I have enough predictable income to handle my lifestyle?
- What are the major threats to my money, and what can I do now to avoid these threats?

4. How long should you keep tax records? Generally, you should keep tax returns for about three years. Check with your state – you may have to keep the records longer. Hold on to records that help you establish your adjusted basis in real estate for at least three years after you dispose of the property. The same is true of security transactions and nondeductible contributions to your 401K. Check with your tax advisor for additional clarification.

Source: Kiplinger's Personal Finance Advisor January 2019.

5. Don't forget to take the Medicare deduction if you are Self Employed! You can deduct the premiums paid for Medicare Part B and Part D, plus the cost of supplemental Medicare policies or the cost of a Medicare Advantage plan. This is a huge benefit if you are in one of the top income brackets. This deduction is available regardless of whether you itemize and is

not subject to the 7.5% of the Adjusted Gross Income that is required for itemized medical expenses.

Source: *Kiplinger's Tax Letter December 2018*

6. Health Savings Accounts are still the only financial instrument that contain all three tax benefits.

- Funds deposited into the account are tax deductible.
- Any account growth is tax deferred.
- Withdrawals are tax free when used for any medically eligible expense.

The maximum contribution for 2019 is \$3,500 for an individual and \$7,000 for a family. Anyone age 55-65 and not yet enrolled in Medicare can deposit an additional \$1,000 under the Catch-Up contribution.

7. Life Insurance isn't for the people who die, it's for the people who live. For example, in 1995 Kelly Unker's dad, Bill Burnell, was diagnosed with terminal cancer. Although Bill understood he was near the end of his life, he wanted the dreams he'd built for his business to live-on. Life Insurance made that dream a reality. It ensured the smooth transition of his engine distribution firm to his daughter and allowed her to pay off bank loans, retain valued employees and continue to grow the company. The future looks bright for Kelly, and that's what her father wanted.

Source: www.life-line.org.

8. Mortgage Rates are creeping-up but are still near historical lows! The 30-year fixed rates is about 4.5%. All rates listed are based on averages:

- 2010 Interest Rate 4.69%
- 2000 Interest Rate 8.05%
- 1990 Interest Rate 10.13%
- 1980 Interest Rate 13.74%
- 1970 Interest Rate 7.54%
- Average 8.11%

Carpe Diem!

Source: www.valuepenquin.com

9. How do you know if a financial advisor is right for you? Trust! Make sure you have confidence that your advisor is acting in your best interest not the financial institutions' best interest. You don't need to know what the advisor knows on all financial topics, you just need to know that the advisor knows. Don't be swayed by the unbiased approach "I am not a commissioned based advisor." Management fees on assets are often more costly than commissions.

10. Are you thinking about making a major capital purchase in the future? Don't forget to look at the backside of the coin. Many Americans only consider the negative feature of paying interest and elect to pay cash for the purchase. What is often overlooked is the important fact that you finance everything you buy. If you pay cash, you lose the ability to earn interest and

access to money. A wealth creator is one who utilizes the most efficient strategy and is willing to look at both sides of the coin.

First Benefits Group, Inc.
306 N. Rhodes Avenue, Suite 111
Sarasota, FL 34237
941.361.3057 www.firstbenefits.net



*Retirement Distribution Planning - Health Insurance - Life Insurance - Eldercare Planning -
Social Security Planning - Life Events Planning - Financial Planning*