

April, 2019



First Benefits Group, Inc.

It's Spring time! A time to breathe new life and energy into your world. The first rite of Spring is to clear out the dust, dank odors and darkness of the winter. The first warm rays of spring are a time to throw off the weight of winter and start fresh.

The Spring season is a great time to clear out the clutter in your mind, too. Open up to new ideas, learn new things, review and set some new goals.

Our money tips below may open a fresh pathway toward a more promising financial future. Pull up a lawn chair, breathe the fresh air, and settle in for a quick, but informative read.

Enjoy the journey!

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 April 16 & Thurs. April 18 @ 4:00 pm

Understanding Long Term Care
Wednesday, April 17 @ 12:00 p.m.

All seminars are held in our office
RSVP 941.361.3057 x9



Innovative Ideas About Money

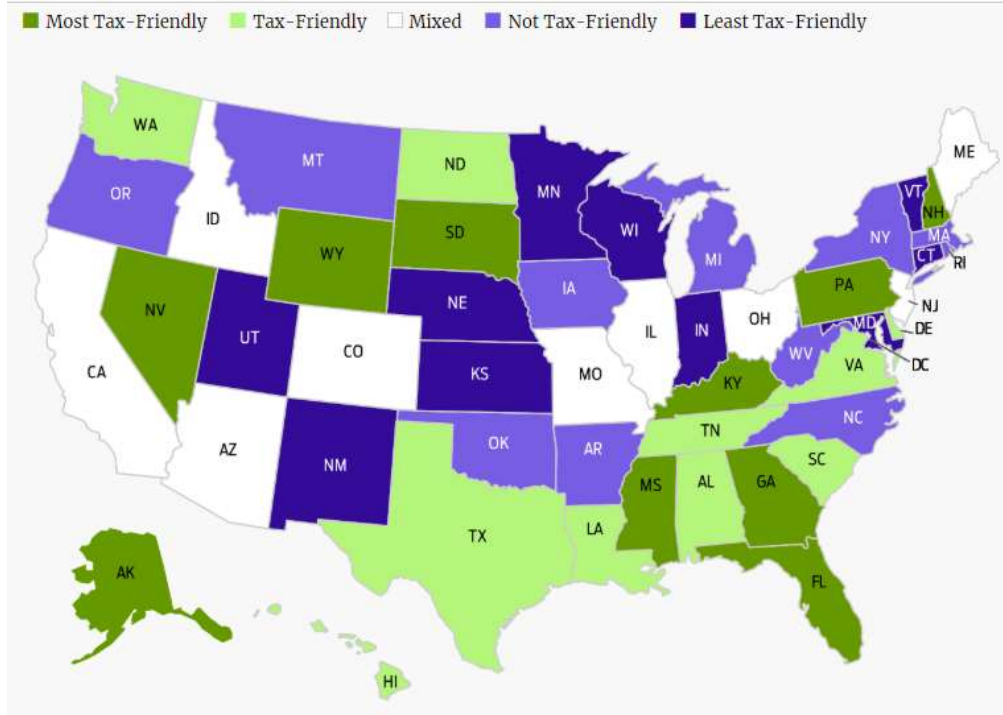
1. Are you over age 65 and still on Cobra from your Employer? – this is a must read! As many of you may know, for people over age 65, COBRA is NOT considered credible coverage. What does this mean? If you leave employer coverage and elect and keep COBRA after turning 65, when you do eventually sign up for Medicare, you will incur penalties that will last throughout the rest of your life. These penalties will apply to Medicare Part B and Part D premiums.

2. What do you mean I cannot collect the proceeds of my ex-husband's life insurance policy – I am the beneficiary! The U.S. Supreme Court, in an 8 – 1 ruling just this past June, concluded that life insurance proceeds would NOT go to an ex-spouse, even though she remained the beneficiary named on the beneficiary form after the divorce. Instead, the Court ruled that Minnesota state statute (where the case was originally contested) removing an ex-spouse as a beneficiary upon divorce is constitutional. The contingent beneficiaries received the proceeds. Note: It is a good idea to review all of your beneficiary designations every year to insure what you want to happen will happen!

Source: Ed Slott's January 2019 newsletter

3. Are you Thinking about making a charitable contribution and want to make sure you get a tax deduction? Individuals 70-1/2 and older can make contributions directly from their IRA. The benefits? You can send a maximum of \$100,000. The gift counts as your Required Minimum Distribution. The charity receives the \$100,000 and neither you nor the charity have to pay taxes on the gift.

4. Which States are the Most Tax Friendly?



Source: *Kiplinger Tax Tool November 2018*

5. What is new at the IRS since the government shutdown in late 2018 and early 2019?

- The audit rate will plunge because enforcement was put on hold.
- The government had 5 million pieces of unprocessed mail.
- Training customer service workers on the new tax law was delayed.
- 125 IT advisors left and went to work elsewhere.
- IRS will have a difficult time attracting and retaining talented workers

Source: *Kiplinger Tax Letter Feb 22, 2019*

6. Retirement can have many different meanings. For some, it will be a time to travel and spend time with family members. For others, it will be a time to start a new business or begin a charitable endeavor.

These questions need answering during the “danger zone” (6 years before retirement) phase of your personal financial lifecycle.

- **Will my money last** as long as I do?
- Do I have enough predictable income to handle my essential lifestyle?
- What are the major **threats to my money**, and what can I do to eliminate or minimize these threats?

- What can I do to **improve the efficiency** of my money without incurring additional risk?
- When should I take **Social Security**?
- What do I need to know about **Health Insurance, Medicare and Long Term Care Protection**?

7. How many ways can a Financial Advisor help you improve your present position? There are basically two ways to improve

your position. Increase the rate of return on your existing assets (upside potential only.) The second is focus not only on rate of return but also on minimizing losses or wealth transfers (upside and downside). It is

important to remember that there is more to be gained by avoiding losses than picking apparent winners. Work with an advisor who can guide you in both directions.



8. Are you interested in a little-known tax deduction? You can make a donation to the Social Security Trust fund. Last year \$375,000 was donated. The catch? It must go into the general operating fund and not to your own account. You can go the Social Security website and make the donation.

9. Are you confused about why you receive your Social Security payment on the 3rd Wednesday of the month and your spouse receives their's on the 2nd Wednesday of the month? The day of your birthdate determines which week of the month.

Day of Birth:

- 1st through the 10th - 2nd Wednesday
- 11th through the 20th - 3rd Wednesday
- 21st through month end - 4th Wednesday

10. Do you want to retire in the most tax friendly state? You should consider moving to Alaska if you can handle the cold weather, long darkness in the winter months, and long daylight in the summer months.

- No State Income Tax
- 1.43% Average State and Local Taxes
- Social Security Benefits are not taxed at the local level
- No Estate Tax
- Alaska sends all permanent residents an annual dividend check from the state oil wealth savings account

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