



## 5 RETIREMENT STRATEGIES



### For Small Business Owners



As a business owner you wear many different hats. From the head of marketing, sales, service all the way to the chief financial officer. Trust me, I know. The buck stops with you! Too many times, small business owners spend all of their time running their business and don't think about their own personal retirement planning goals. Well, here are 5 strategies a small business owner can implement right now to get pointed in the right direction.

#### 1. THE RETIREMENT ROADMAP

Retirement, yeah that's funny. I'm never going to retire, right? Well, if that's your plan ok, but if you would like to set yourself up to successfully step away from the business one day,

you'll need to do some soul searching and set a date that you would like to achieve the goal. Just like a personal financial plan, you'll need to determine what that retirement lifestyle looks like and will you have the resources available to achieve it?

#### 2. THE EXIT

That day has finally arrived. You made it. RETIREMENT. But have you put some time into the exit strategy? Do you plan to sell the business, pass it along to the next generation or simply close up shop, sell off all the assets and liquidate everything at a fraction of what it could be worth? Having a clear exit strategy may help you get top dollar when it's time to sell or help preserve the legacy you've worked so hard to build.

#### 3. BUSINESS REINVESTMENT AND RETIREMENT SAVINGS

Profits, buy inventory, profits, add services, profits, more inventory and so on until one day all your eggs are in your proverbial "one basket", your business. We all know diversification is critical to a well thought out retirement plan, but so many business owners sink all of their assets into the business. Setting up retirement plans can help achieve more diversification and there are great tax savings along the way as well.

#### 4. PROTECT WHAT YOU GOT

Many times business owners have extra liabilities. If you have taken out loans to support your business by using personal assets as collateral and you pass away, your family member may be on the hook for the debt. Or what if you're in a partnership and your partner dies or becomes disabled? Do you have a formal operating agreement and buy/sell dictating what happens

*Continued on page 2*



Wow, the first quarter of the year has already come and gone! Hopefully you've got your taxes all filed and out of the way, so you can start making those Summer plans, because Monday April 15th is the due date. Not only the tax deadline, but the month of April is also Financial Literacy Month. What a great time to take a fresh look at your spending and savings and see if you're staying within your budget and on track to hitting your retirement goals.

As a complement, we've included the 2024 Key Financial Figures as a reference. As always with the close of the quarter, we will be emailing out the quarterly performance reports. If you would like to schedule a time to review them, please give us a call.

Respectfully,  
Scott Weidman, CFP®



## Annual Celtic Festival



April brings warm Florida. Well, arriving weather and lots of outdoor activities for the whole family here in this year, April 20-21st is the thirteen annual Celtic Festival at the

Casements in Ormond Beach. With multiple live music stages, Highland Games, clans and Celtic societies from throughout the region converging to celebrate the traditions and culture of Scottish heritage.

## Jeep Beach 2024



For all of you Jeep lovers out there, Jeep Beach returns to Daytona the last week of April. Jeep Beach is one of the largest Jeep exclusive events

in the world. Last year over 225,000 people and more than 25,000 Jeeps converged in Daytona.

## Simple Truths



Money doesn't always bring happiness. People

with 10 million dollars are no happier than people with nine million dollars. -Hobart Brown

Or as I say, Money may not make you happy, but the lack of it, **WILL** make you miserable! And chickenless! - Me

*Continued from page 1*

to the business interest, or is their spouse your new business partner? Do you have enough life insurance or disability insurance for your family to buy out the other partner, so the business can continue, uninterrupted?

### 5. YOU'RE NOT ALONE

You are focused on running and growing your business. You can't possibly be an expert

in every aspect of the business. That's where relying on a team of professionals can keep you on track. Consider a tax accountant to keep your tax records and payroll compliant. Consider a financial professional to make sure your insurance is adequate and you're savings and investments are diversified. And consider a business attorney to make sure you stay out of trouble.

Once you've chosen a team, connect them together to work cohesively on your behalf.

Business owners have many unique challenges when it comes to their finances. But with a well thought out plan and the right professionals to work with, it can be a lot more comforting knowing you're moving in the right direction.



## Our service offerings

### Insurance

- Life Insurance (term, variable, universal and whole)
- Long Term Disability Insurance
- Long Term Care Insurance
- Buy / Sell Funding
- Business Overhead Expense Insurance

### Services

- Hourly Consulting
- Retirement Projections and Evaluation
- Income Planning
- Asset Allocation and Risk Management

### Investments

- Mutual Funds
- Variable Annuities
- Equity Indexed Annuities
- Fixed Annuities
- Stocks / Bonds

### Account Types

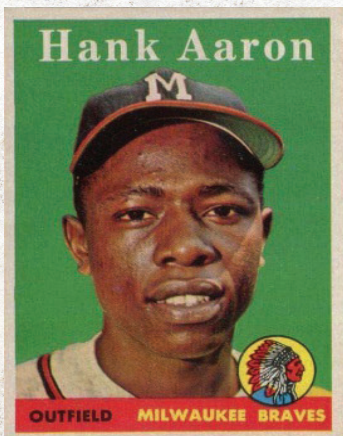
- Fee Based Advisory Accounts
- Brokerage Accounts
- Third Party Money Managers
- 401k Rollovers
- IRA's and Roth IRA's

## Contact the office

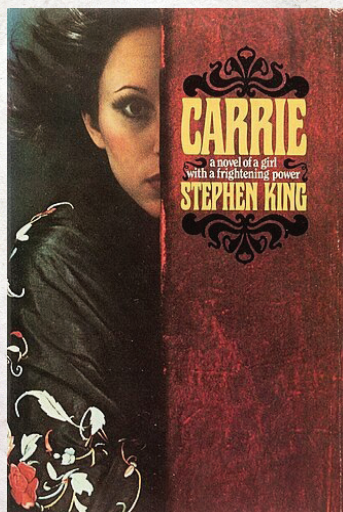
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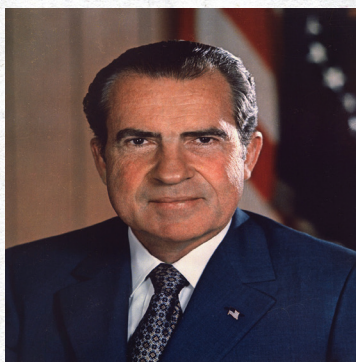
# Flashback 50 Years Ago This Month



On April 4th, 1974 Hank Aaron of the Atlanta Braves hits his 714th home run on the first swing of his bat, to open the 1974 Major League Baseball season and tied the career record set by Babe Ruth. And then just a few days later, hit his 715th homer breaking Ruth's record. Aaron would retire in 1976 with a career record of 755 home runs under his belt.



Did you know Stephen King was a high school teacher before becoming "the King of Horror?" Well, on April 5th, 1974 "Carrie", King's debut novel was published by Doubleday, launching his writing career.



April 8th, 1974 Nixon signed legislation raising the Federal Minimum Wage from \$1.60 per hour to \$2. Talk about inflation since then!



The British rock band, Queen played their first concert in the US on April 16th, 1974.

## Financial Tip Of The Month

**Don't just cash in that life insurance policy.**

For many people, the need for life insurance may disappear as you get closer to retirement. After all, you don't have to protect many more years of income and you've probably got a nice nest egg saved up. Well, before you decide to just cash in that policy, be sure to find out how much the total premiums you've paid add up to? That's known as the cost basis of the policy. If the cost basis is greater than the surrender value, that may give you an opportunity to wipe out some potential taxable gains on any annuities you own (outside of IRAs). Here's how it works.

Let's say you've been paying in for years for a life insurance policy, totaling \$30,000 of premiums. Assuming your cash surrender value is only \$10,000, by doing a 1035 exchange (tax free exchange of insurance contracts) from the life insurance to a new or existing non-qualified (fancy word for non-IRA) annuity, you could wipe out \$20,000 of untaxed gains in the annuity. So instead of just cashing it in, you still keep the surrender value, but you also get to carry over the cost basis to the annuity! That could be a huge tax savings. If you think this strategy might work for you, give us a call to chat.



# Idiom Of The Month “Get Your Clock Cleaned”



appropriate this month. The expression originated somewhere during the mid 1900's. It was possibly related to the idea that a clock has a face and cleaning someone's clock implies punching them in the face. The word clean also had a slang meaning to defeat or beat, since the 1800's. And now you know.

Well, last month we lost an hour with the time change. Where it went, I'm not sure. But in honor of that lost 60 minutes, I thought the idiom “Getting Your Clock Cleaned” was



# ESSENTIAL

## FINANCIAL FIGURES

### KEY INFORMATION AND FINANCIAL DATA FOR 2024

#### Important Dates & Deadlines<sup>1</sup>

DATE	IMPORTANCE
APR 15	Deadline to establish a 2023 SEP plan
APR 15	"Tax Day" – deadline to file Form 1040 or request extension
APR 15	2023 contribution deadline for Roth IRAs, traditional IRAs
APR 15	2023 contribution deadline for Health Savings Accounts (HSAs)
APR 15	2023 contribution deadline for Solo 401(k)s, SEPs, Keoghs
APR 15	Deadline to correct excess IRA and/or qualified plan contributions
APR 15	First installment of estimated taxes due for 2024
JUN 17	Second installment of estimated taxes due for 2024
SEPT 16	Third installment of estimated taxes due for 2024
OCT 15	Deadline to file Form 1040 for those who requested extension
OCT 15	Deadline to recharacterize ineligible IRA contributions made for TY 2023
DEC 31	Deadline for IRA/qualified plan RMDs
DEC 31	2024 employee contribution deadline for 401(k) plans
DEC 31	Deadline to settle a capital loss or gain transaction
DEC 31	Deadline to establish a 2024 Solo 401(k)

#### Federal Income Tax Brackets & Rates<sup>2</sup>

RATE	SINGLE	MARRIED JOINT	HEAD OF HOUSEHOLD
10%	\$0 - \$11,600	\$0 - \$23,200	\$0 - \$16,550
12%	\$11,601 - \$47,150	\$23,201 - \$94,300	\$16,551 - \$63,100
22%	\$47,151 - \$100,525	\$94,301 - \$201,050	\$63,101 - \$100,500
24%	\$100,526 - \$191,950	\$201,051 - \$383,900	\$100,501 - \$191,950
32%	\$191,951 - \$243,725	\$383,901 - \$487,450	\$191,951 - \$243,700
35%	\$243,726 - \$609,350	\$487,451 - \$731,200	\$243,701 - \$609,350
37%	\$609,351 and up	\$731,201 and up	\$609,351 and up

#### Standard Deductions<sup>2</sup>

FILING STATUS	STANDARD DEDUCTION
Single	\$14,600
Head of Household	\$21,900
Married Filing Jointly	\$29,200

ADDITIONAL DEDUCTIONS: If you are aged 65 or older, or blind, you can claim an additional standard deduction of \$1,950 this year if single or \$1,550 if married.<sup>2</sup>

#### Alternative Minimum Tax Exemptions<sup>2</sup>

FILING STATUS	EXEMPTION AMOUNT	EXEMPTION AMOUNT PHASES OUT AT	28% TAX RULE APPLIES FOR INCOME OVER
Single	\$85,700	\$609,350	\$232,600
Married filing jointly	\$133,300	\$1,218,700	\$232,600
Married filing separately	\$66,650	\$609,350	\$116,300
Trusts and estates	\$29,900	\$99,700	\$232,600

#### Qualified Dividends & Long-Term Capital Gains<sup>2</sup>

BRACKET	SINGLE	MARRIED FILING JOINTLY
0%	\$0-\$47,025	\$0-\$94,050
15%	\$47,026-\$518,900	\$94,051-\$583,750
20%	\$518,901 and up	\$583,751 and up
BRACKET	MARRIED FILING SEPARATELY	HEAD OF HOUSEHOLD
0%	\$0-\$47,025	\$0-\$63,000
15%	\$47,026-\$291,850	\$63,001-\$551,350
20%	\$291,851 and up	\$551,351 and up

#### 3.8% Net Investment Tax<sup>3</sup>

FILING STATUS	THRESHOLD AMOUNT
Single	\$200,000
Head of Household*	\$200,000
Married Filing Jointly	\$250,000
Married Filing Separately	\$125,000
Qualifying Widow(er)**	\$250,000

\*With Qualifying Person  
\*\*With Dependent Child

#### Education Tax Benefits<sup>4,5,6,7</sup>

	BENEFIT	INCOME PHASE-OUTS BEGIN AT
Education Savings Bond Program	Cash in bonds tax-free (limited to amount of qualified expenses)	\$85,800 MAGI*** (\$128,650 MAGI for joint filers)
American Opportunity Tax Credit	Credit of \$2,500 (max) per eligible student*	\$80,000 MAGI*** (\$160,000 MAGI for joint filers)****
Lifetime Learning Credit	Credit of up to \$2,000**	\$80,000 MAGI*** (\$160,000 MAGI for joint filers)****
Coverdell Education Savings Account	Tax-Free earnings for qualified education expenses (contribute up to \$2,000 annually)	\$95,000 MAGI*** (\$190,000 MAGI for joint filers)

\*40% of this credit is potentially refundable.  
\*\*The amount of the credit is 20% of the first \$10,000 of qualified education expenses.  
\*\*\*Modified Adjusted Gross Income.  
\*\*\*\*If MAGI is between \$80-90K (\$160-180K if Married Filing Jointly), your credit is reduced.

Estate Tax Rates <sup>2</sup>		
AMOUNT OF TAXABLE ESTATE	ESTATE TAX AMOUNT	PLUS THIS % ON AMOUNT IN EXCESS OF LOWER LIMIT
\$0-\$10,000	\$0	18%
\$10,001-\$20,000	\$1,800	20%
\$20,001-\$40,000	\$3,800	22%
\$40,001-\$60,000	\$8,200	24%
\$60,001-\$80,000	\$13,000	26%
\$80,001-\$100,000	\$18,200	28%
\$100,001-\$150,000	\$23,800	30%
\$150,001-\$250,000	\$38,800	32%
\$250,001-\$500,000	\$70,800	34%
\$500,001-\$750,000	\$155,800	37%
\$750,001-\$1,000,000	\$248,300	39%
\$1,000,001+	\$345,800	40%

Estate and Gift Tax Exclusions, Exemptions <sup>2,8</sup>	
	AMOUNT
Unified Estate and Gift Tax Exclusion	\$13,610,000
Generation-Skipping Transfer (GST) Tax Exemption	\$13,610,000
Annual Exclusion Amount (AEA) for Gifts	\$18,000
AEA for Gifts to non-U.S. Citizen Spouse	\$185,000

Social Security <sup>9</sup>	
Full Retirement Age (Depending on Year Born)	66/67
Maximum Possible Monthly Benefit (at FRA)	\$3,822
Retirement Earnings Exempt Amounts	\$22,320/yr under FRA
Based on Normal Retirement Age (NRA)	\$59,520/yr FRA reached No limit after NRA

Social Security Taxable Benefits <sup>10</sup>		
FILING STATUS	PROVISIONAL INCOME*	S.S. AMOUNT SUBJECT TO TAX
Single, HOH, Qualifying Widow(er)**	\$0-\$25,000	\$0
	\$25,001-\$34,000	Up to 50%
	\$34,001+	Up to 85%
Married Filing Jointly	\$0-\$32,000	\$0
	\$32,001-\$44,000	Up to 50%
	\$44,001+	Up to 85%
Married Filing Separately (Living Together)	\$0+	Up to 85%

\*Provisional income is derived by adding the individual's Adjusted Gross Income, tax-free interest, 50% of Social Security benefits, and any other tax-free benefits.  
\*\*Also married filing separately and living apart from spouse.

Retirement Plan Contribution Limits <sup>11,12,13</sup>		
	CONTRIBUTION LIMIT	CATCH-UP CONTRIBUTION** LIMIT
401(k), 403(b), 457, Thrift Savings Plan*	\$23,000	\$7,500
IRA and Roth IRA	\$7,000	\$1,000
SIMPLE IRA	\$16,000	\$3,500
Solo 401(k)	\$69,000	\$7,500
Simplified Employee Pension (SEP-IRA)	\$69,000	\$7,500***

\*Not including employer contributions.

\*\*For plan participants aged 50 or older in 2023.

\*\*\*Only applies for employees permitted to make traditional IRA contributions to their SEP-IRA accounts.

Income Limits <sup>11,13</sup>		
	LIMIT OR PHASE-OUTS FOR INDIVIDUAL FILERS	LIMIT OR PHASE-OUTS FOR MARRIED (JOINT) FILERS*
Traditional IRA	\$77,000-\$87,000	\$123,000-\$143,000**
Roth IRA	\$146,000-\$161,000	\$230,000-\$240,000
Retirement Saver's Credit***	\$38,250 (\$57,375 if HOH)	\$76,500

\*If one spouse has a workplace account and the other doesn't, the other can claim the full deduction on their IRA contribution until the couple's income exceeds \$230,000.

\*\*If the contributing spouse has access to a retirement plan.

\*\*\*The amount of this non-refundable credit is 50%, 20% or 10% of up to \$2,000 of qualified retirement savings contributions, depending on your Adjusted Gross Income and filing status.

Medicare Costs <sup>14</sup>		Deductibles & Coinsurance <sup>14</sup>	
	PREMIUM		AMOUNT
Part A	\$505*	Part A Deductible (per benefit period)	\$1,632
Part B	\$174.70**	Coinsurance, Days 1-60	\$0
Part C	Varies by plan	Coinsurance, Days 61-90	\$408†
Part D	Varies by plan/income	Coinsurance, Days 91+	\$816**
		Part B Deductible (per year)	\$240***

\*If applicable. You usually pay no Part A coverage premium if you or your spouse paid Medicare taxes while working.

\*\*Or higher, determined by income.

†Per day of benefit period. \*\*Per each "lifetime reserve day" after day 90 for each benefit period (up to 60 days over your lifetime). \*\*\*After deductible is met, you typically pay 20% of the Medicare-approved amount for most doctor services.

Health Savings Accounts, High Deductible Health Plans <sup>15,16</sup>			
	INDIVIDUAL	FAMILY	CATCH-UP CONTRIBUTION*
HSA Contribution Limit	\$4,150	\$8,300	\$1,000
HDHP Minimum Deductible	\$1,600	\$3,200	N/A
HDHP Max. Out-of-Pocket Amount (HDHPs)	\$8,050	\$16,100	N/A
ACA Out-of-Pocket Limit for HDHPs	\$9,450	\$18,900	N/A

\*Age 55 or older.

Extended Care Coverage Deductibility Limits <sup>2</sup>			
AGE (REACHED PRIOR TO CLOSE OF TAX YEAR)	MAX. DEDUCTION FOR YEAR*	AGE (REACHED PRIOR TO CLOSE OF TAX YEAR)	MAX. DEDUCTION FOR YEAR*
Up to 40	\$480	60 - 70	\$4,770
40 - 50	\$890	70+	\$5,960
50 - 60	\$1,790		

Data collected as available by December 5, 2023

\*Premiums for "qualified" extended care policies are tax-deductible to the extent that they, along with other unreimbursed medical expenses (including Medicare premiums), exceed 10% of the insured's Adjusted Gross Income.

#### Citations.

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