

Planning Opportunities During the Coronavirus Pandemic

These questions are meant to start thinking and conversations about planning opportunities. They are not meant to be tax or financial recommendations. Talk to your financial advisor or tax professional before making any changes to your financial plan.



CASH FLOW ISSUES	YES	NO
Do you have tight cash flow? Reexamine budgets to reduce spending and consider extending due dates or altering payment schedules. Update plans as necessary.		
Did you receive a stimulus check? A married couple filing jointly is eligible for up to \$2,400, plus \$500 for each child under 17.		
Has your work been interrupted and could you qualify for unemployment benefits and family leave? You could be eligible for 10 days of sick leave and up to 50 days of family leave. Eligibility for unemployment benefits is expanded. Many of these benefits apply even if self-employed.		
Are you a small business owner? Consider small business loans (PPP and EIDL) under the stimulus package, along with payroll tax deferral and a payroll tax credit under certain conditions. Many of these benefits apply even if self-employed.		
Do you own a home subject to a mortgage or do you pay rent? Consider relief from foreclosure or eviction for federal mortgages.		
Do you have a mortgage, credit card or other debts? Consider refinancing any debts while interest rates are low.		
Can you receive student loan relief? Those with federal loans get a 60-day waiver of interest and can pause payments until September 30, 2020.		
Are you planning to retire in the near future? Review options, consider working longer and reduce spending. Update your plans as necessary.		
Are you subject to a Required Minimum Distribution in 2020? Consider whether you want to defer your RMDs as 2020 RMDs are waived. You can also return an RMD already taken within 60 days of withdrawal up until July 15.		
Do you need cash from your retirement accounts? Individuals who are financially impacted by COVID-19 can pull up to \$100,000 exempt from the 10% penalty and mandatory withholding and have 3 years to pay it back. Individuals can also take the lesser of a loan up to \$100,000 or 100% of the vested balance.		
Do you have an updated emergency fund? You should have liquid funds to support living expenses in an emergency.		

TAX PLANNING ISSUES	YES	NO
Have you considered a Roth Conversion? Account values are depressed, taxes are not due until April 2021 and income is likely lower this year.		
Do you have any assets with a tax loss? Consider tax loss harvesting.		
Do you want to delay filing and payment of the federal income and/or gift tax? The IRS has offered an automatic extension for all 2019 tax filings and payments that were due on April 15, 2020 to July 15, 2020.		
Have you confirmed whether your state is providing similar tax relief as the federal government?		
Do you have extra cash? Take advantage of low valuations by investing or contributing to a Traditional IRA, Roth IRA, or Health Savings Account.		
LONG-TERM PLANNING ISSUES	YES	NO
Have you cleaned up your portfolio? Valuations are low, so consider rebalancing investments, revisiting asset location, reviewing risk and the target asset allocation, and selling low basis holdings.		
Do you possess an updated estate plan? Review the impact of any changes in asset values upon distribution of your assets.		
Do you have an annual gifting strategy? Consider gifting assets while valuations are low.		
Do you want to financially assist family members? Consider gifts and intrafamilial loans, funding trusts or creating a grantor-retained annuity trust.		
Do you plan to make charitable gifts? The CARES Act allows a new above-the-line charitable deduction of up to \$300 when cash contributions are made to certain qualifying charities for 2020 and beyond, and allows for qualified contributions to be deducted up to 100% of AGI.		

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Debra Taylor CPA/PFS, JD, CDFA, Wealth Manager
795 Franklin Avenue Bldg. C, Suite 202 Franklin Lakes, NJ 07417 dtaylor@taylorfinancialgroup.com |
201-891-1130 | www.taylorfinancialgroup.com

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