



CLIENT NEWSLETTER

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3<sup>rd</sup> Quarter – 2021

### IMPORTANT INFORMATION!

We would like to give you a heads up that we will be emailing you our annual survey in August, and we hope you are able to take just a few minutes to provide feedback. We do read all responses and have implemented recommendations made by our clients over the years to help better serve you. All comments and suggestions, good or bad, or encouraged!

There are still no major announcements about tax changes for this year, but we will keep you informed should something change.

## MORE PENDING LEGISLATION?

On May 5, 2021, House Ways and Means Committee Chairman Richard E. Neal (D-MA) and Ranking Member Kevin Brady (R-TX) reintroduced the Securing a Strong Retirement Act of 2021, bipartisan legislation (also known as “SECURE 2.0”) to help more Americans successfully save for a secure retirement.

The bill, H.R. 2954, was unanimously passed by the committee and advanced to the full House of Representatives for consideration. This legislation was first introduced in October 2020 and builds on the Setting Every Community Up for Retirement Enhancement (SECURE) Act of 2019 to further improve workers’ long-term financial wellbeing.

If passed by Congress, the Securing a Strong Retirement Act of 2021 will provide the following:

- Promote savings earlier for retirement by enrolling employees automatically in their company’s 401k plan, when a new plan is created.
- Create a new financial incentive for small businesses to offer retirement plans.
- Direct the Internal Revenue Service to promote the Saver’s Credit to increase utilization.
- Expand retirement savings options for non-profit employees by allowing groups of non-profits to join together to offer retirement plans to their employees.
- **Allow individuals to save for retirement longer by increasing the required minimum distribution (RMD) age to 75.**
- Offer individuals ages 62, 63 and 64 more flexibility to set aside savings as they approach retirement.
- Allow individuals to pay down a student loan instead of contributing to a 401k plan and still receive an employer match in their retirement plan.
- Allow individuals more flexibility to make gifts to charity through their IRAs.

- Allow taxpayers to avoid harsh penalties for inadvertent errors managing an IRA that can lead to a loss of retirement savings.
- Make it easier for employees to find lost retirement accounts by creating a national, online, database of lost accounts.

## **Bottom line**

There is no way to know if and when these changes may take place. Perhaps this gets delayed until 2022 or perhaps they look to make changes later in the year.

As always, we will keep you updated on any changes as they happen!

Keep in mind, this article is for informational purposes only, and not a replacement for real-life advice. Also, tax rules are constantly changing, and there is no guarantee that the tax landscape will remain the same in years ahead.

There are always a lot of strategies to think about and we always stress how important it is to plan. Be sure you are sitting down with us on a regular basis to discuss your entire financial situation. Each quarter we want to remind you to alert us to changes in your financial situation or investment objectives to ensure that we are aware of any situation that might require changes in the management of your accounts. Please remember to contact us to discuss how these changes impact your investment accounts!

*We wanted to thank those of you who have participated in our Client Introduction program. As you know, marketing for new clients takes a great deal of money, time, and energy and we would much rather spend our resources improving your financial health. We, like most businesses are looking to grow; however, for the benefit of our existing clients we are only able to take on a limited number of new clients each year. Over the years, we have learned that encouraging you to introduce us to people you know works well for all of us...we help you, and you help us. If you are not familiar with our friends helping friends program, please call our office or be sure to ask us at your next meeting. The few minutes it takes to learn about how it works will be well worth your time and energy!*

*Also, if you would like some of your friends, coworkers, relatives, business acquaintances, etc. to receive a FREE subscription to this newsletter, please call our office and we will add them to the mailing list. We will also send them a note with their first issue telling them that you had suggested they receive the newsletter, and to contact us if they would like to stop at any time. If you enjoy this newsletter, why not share it for FREE with people you know, with no hassle for you?*

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