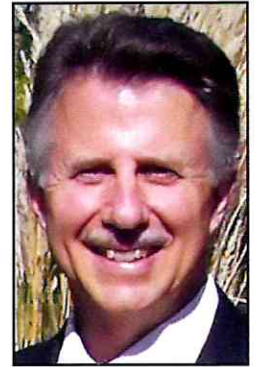


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Displaced by Disaster

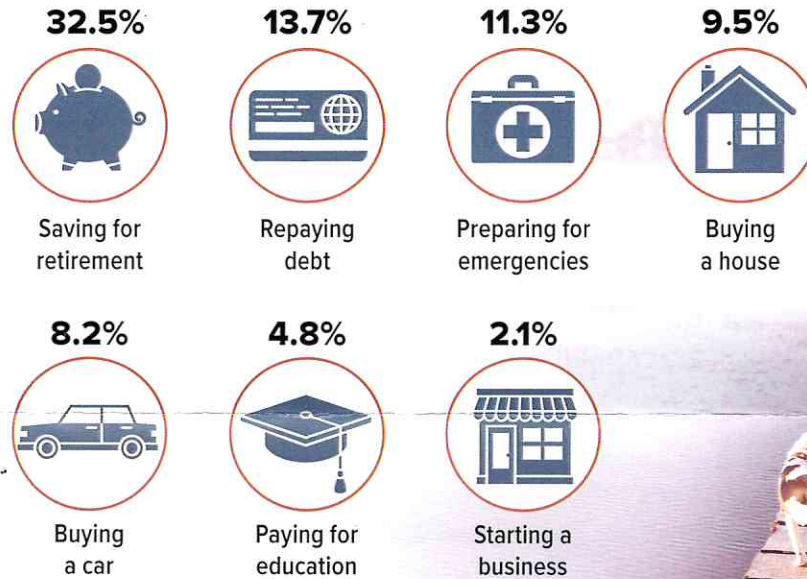
Natural disasters forced 3.3 million U.S. residents to evacuate their homes at some point in 2022. About 1.9 million people fled from hurricanes, 665,000 from floods, 659,000 from fires, 320,000 from tornadoes, and the rest escaped various other calamities.

Source: Household Pulse Survey, U.S. Census Bureau, 2022

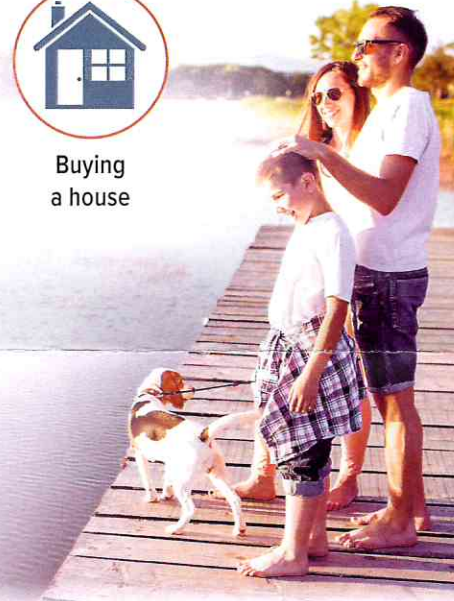
Motivation and Money Goals

According to a survey taken in late 2022, almost 40% of consumers have set “very” or “extremely” clear long-term financial goals — though for different reasons.

Most important motivations cited by consumers for setting financial goals



Source: PYMNTS, December 2022



Social Security 101

Social Security is complicated, and the details are often misunderstood even by those who are already receiving benefits. If you're looking forward to receiving your Social Security benefits, whether in one year or 30 years, you may be curious about some of the basic rules and options and how they might affect your financial future.

Full retirement age (FRA). Once you reach full retirement age, you can claim your full Social Security retirement benefit, also called your primary insurance amount or PIA. FRA ranges from 66 to 67, depending on your birth year (see chart).

Filing early. You can claim your Social Security worker benefit as early as age 62. However, your benefit will be permanently reduced if you file before your FRA. At age 62, the reduction would be 25% to 30%, depending on your birth year. Your benefit may be further reduced temporarily if you work while receiving benefits before FRA and your income exceeds certain levels. (When you reach FRA, you would regain any benefits lost due to excess earnings through an adjustment.)

Filing later. If you do not claim your benefit at FRA, you will earn delayed retirement credits for each month you wait to claim up to age 70. This will increase your benefit by two-thirds of 1% for each month, or 8% for each year you delay. There is no increase after age 70.

Spousal benefits. If you're married, you may be eligible to receive a benefit based on your own earnings history or a spousal benefit based on your spouse's work record. The

maximum spousal benefit, if claimed at your full retirement age, is 50% of your spouse's PIA (regardless of whether he or she claimed early) and doesn't include any delayed retirement credits. If you claim a spousal benefit before reaching your FRA, it will be permanently reduced.

Survivor benefits. If your spouse dies, you can claim a reduced survivor benefit as early as age 60 or a full survivor benefit — 100% of your deceased spouse's PIA and any delayed retirement credits — if you wait until your full retirement age. If you are eligible for a survivor benefit and one based on your own work record, you could claim a survivor benefit first and switch to a benefit based on your work record at your FRA or later, if it would be higher.

Divorced spouses. If you were married for at least 10 years and are unmarried, you can receive a spousal or survivor benefit based on your ex's work record. If your ex is eligible but has not applied for Social Security benefits, you can still receive a spousal benefit if you have been divorced for at least two years.

Dependent benefits. Your dependent child may be eligible for benefits after you begin receiving Social Security if he or she is unmarried and meets one of the following criteria: (a) under age 18, (b) age 18 to 19 and a full-time student in grade 12 or lower, (c) age 18 or older with a disability that started before age 22. The maximum family benefit is equal to about 150% to 180% of your PIA, depending on your situation.

Claiming Early or Late

Year of birth	Full retirement age	Worker benefit at age 62: percentage of PIA	Worker benefit at age 70: percentage of PIA
1943-54	66	75.00%	132.00%
1955	66 and 2 months	74.17%	130.67%
1956	66 and 4 months	73.33%	129.33%
1957	66 and 6 months	72.50%	128.00%
1958	66 and 8 months	71.67%	126.67%
1959	66 and 10 months	70.83%	125.33%
1960 & later	67	70.00%	124.00%



It's Your Money: Why Not Get Your Tax Withholding Right?

The IRS issued over 110 million federal income tax refunds in 2022 (for tax year 2021), averaging \$3,252.¹ You might consider this type of windfall a stroke of good fortune, but is it really? You probably wouldn't pay someone \$271 each month to receive \$3,252 back at the end of a year. But that's essentially what a tax refund is — the repayment of your interest-free loan to the government.

If you received a large refund on your 2022 return, consider reducing your federal income tax withholding, which would leave you with a bigger paycheck. Taking home more of your pay may let you put that money to better use. For example, you may be able to pay off credit-card debt sooner, build up your emergency savings, or contribute more to a retirement account. If your tax bill was higher than you expected and you had to scramble for the money to pay it, bumping up your withholding might help you avoid a similar situation next April.

In any case, it's a good idea to check your withholding periodically. This is particularly important when something changes in your life; for example, if you move, get married, divorced, or have a child; you or your spouse change jobs; or your financial situation

Federal Tax Brackets for 2023

Marginal tax rate	Single taxpayers	Married couples filing jointly
10%	Income up to \$11,000	Income up to \$22,000
12%	\$11,001 to \$44,725	\$22,001 to \$89,450
22%	\$44,726 to \$95,375	\$89,451 to \$190,750
24%	\$95,376 to \$182,100	\$190,751 to \$364,200
32%	\$182,101 to \$231,250	\$364,201 to \$462,500
35%	\$231,251 to \$578,125	\$462,501 to \$693,750
37%	Income over \$578,125	Income over \$693,750

changes significantly. The IRS has an online tool (the Tax Withholding Estimator) that can help you determine whether — and how much — to adjust your withholding.

The amount of federal income tax withheld from each paycheck is based on the information on your W-4 Form, which may have been filled out a long time ago. If you decide to make an adjustment, you will need to complete a new W-4 and submit it to your employer.

1) Internal Revenue Service, 2022

National Park News

The U.S. National Park System now has 424 specially designated park units, including 63 renowned national parks, 83 national monuments, 74 national historic sites, 63 national historic parks, 31 national memorials, 11 national battlefields, and four national parkways, among others. The National Park Service is tasked with maintaining and managing these parks and programs, which are intended to conserve the nation's natural and cultural heritage for the benefit of the public and for future generations.

In many parts of the country, the tourism associated with a national park also brings financial benefits to local communities. In 2021, a total of 297 million park visitors spent an estimated \$20.5 billion at restaurants, hotels, outfitters, and other local businesses in gateway regions within 60 miles of a park. This spending supported about 323,000 jobs and \$42.5 billion in economic output.

The desire to experience nature, adventure, and awe-inspiring views in America's national parks has never been stronger. In fact, 12 parks set new visitation records in 2022. The most affordable and sought-after places to stay inside or nearby popular parks tend to fill up quickly — especially during the summer. As part of a revived effort to prevent overcrowding, visitors will also need permits to access some of the busier hiking trails and driving routes.

If you're considering a trip to a national park, try to plan ahead and make your reservations early. To obtain activity permits and/or book lodgings or campsites on park grounds, visit [Recreation.gov](https://www.recreation.gov), or download the app.

U.S. National Parks with the Most Visitors in 2022, in Millions

Great Smoky Mountains National Park (NC/TN)	12.9
Zion National Park (UT)	4.7
Grand Canyon National Park (AZ)	4.7
Rocky Mountain National Park (CO)	4.3
Acadia National Park (ME)	4.0
Yosemite National Park (CA)	3.7
Yellowstone National Park (WY)	3.3
Joshua Tree (CA)	3.0

Source: U.S. National Park Service, 2023



Enriching a Teen with a Roth IRA

Teenagers with part-time or summer jobs earn some spending money while gaining valuable work experience. They also have the chance to contribute to a Roth IRA — a tax-advantaged account that can be used to save for retirement or other financial goals.

Minors can contribute to a Roth IRA provided they have earned income and a parent (or other adult) opens a custodial account in the child's name. Contributions to a Roth IRA are made on an after-tax basis, which means they can be withdrawn at any time, for any reason, free of taxes and penalties. Earnings grow tax-free, although nonqualified withdrawals of earnings are generally taxed as ordinary income and may incur a 10% early-withdrawal penalty, unless an exception applies.

A withdrawal of earnings is considered qualified if the account is held for at least five years and the distribution is made after age 59½. However, there are two penalty exceptions that may be of special interest to young savers. Penalty-free early withdrawals can be used to pay for qualified higher-education expenses or to purchase a first home, up to a \$10,000 lifetime limit. (Ordinary income taxes will apply.)

Flexible College Fund

A Roth IRA may have some advantages over savings accounts and dedicated college savings plans. Colleges determine need-based financial aid based on the “expected family contribution” (EFC) calculated in the Free Application for Federal Student Aid (FAFSA).

Most assets belonging to parents and the student count toward the EFC, but retirement accounts, including a Roth IRA, do not. Thus, savings in a Roth IRA should not affect the amount of aid your student receives. (*Withdrawals from*

Seasonal Shift

Last year, the number of employed youth (ages 16 to 24) grew sharply from 18.8 million in April to 21.0 million in July, as high school and college students took summer jobs and graduates joined the labor force permanently. Here are the three industries that employed the most young people in July 2022:



Source: U.S. Bureau of Labor Statistics, 2022

a Roth IRA and other retirement plans do count toward income for financial aid purposes.)

Financial Head Start

Opening a Roth IRA for a child offers the opportunity to teach fundamental financial concepts, such as different types of investments, the importance of saving for the future, and the power of compounding over time. You might encourage your children to set aside a certain percentage of their paychecks, or offer to match their contributions, as an incentive.

In 2023, the Roth IRA contribution limit for those under age 50 is the lesser of \$6,500 or 100% of earned income. In other words, if a teenager earns \$1,500 this year, his or her annual contribution limit would be \$1,500. Parents and other individuals may also contribute directly to a teen's Roth IRA, subject to the same limits.

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