

The Legacy Ledger

April 2020

Legacy Financial Planning
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Rochester, NY 14618
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How Are You Doing?

It's difficult to be isolated from friends, family, colleagues and the public in general, but our acts of social distancing appear to be having a positive impact on slowing the spread of the Coronavirus. Let us all hope that this crisis will soon be a distant memory and we can begin regaining some normalcy in our daily lives. Until then, we hope you and your families are managing this 'new normal' and staying healthy during this difficult time. If we can help you in any way, please reach out to us. We miss you all and wish you well.



The CARES Act in Summary

The CARES Act (Coronavirus Aid, Relief and Economic Security Act) was signed into law on March 27th. This \$2.2T economic relief act includes numerous provisions aimed at boosting the United States economy through relief funding, tax breaks, and loans for both individuals and businesses impacted by the coronavirus. The 800+ page Act is extensive, so we've attempted to highlight those provisions we believe to be most relevant to our clients. As always, please contact our office at (585) 241-5250 or toll free at (855) 864-0644 to speak with Brian or Tammy if you have specific questions relating to this information.

STIMULUS RECOVERY CHECKS:

The Act provide cash assistance to Americans and their families; \$1200 for individuals with an adjusted gross income for 2019 or 2018 (depending on if you have filed your 2019 taxes yet) of less than \$75,000; \$2400 to married couples with an adjusted gross income of less than \$150,000; and an additional \$500 per child under 17. After that, payments begin to phase out and are reduced by \$5 for every \$100 gross income above the threshold.

Continued on next page



Zoom is a free videoconferencing service that allows people to meet virtually online. Use it on your laptop, desktop or mobile phone to host meetings with multiple people or to simply chat with your loved ones. In our current social distancing climate, soon Legacy will be introducing Zoom to our clients to hold virtual reviews and presentations. To learn more about Zoom, visit <https://zoom.us/>



CARES Act *(continued from page 1)*

ADDITIONAL UNEMPLOYMENT BENEFITS:

The Federal Pandemic Unemployment Compensation program under the CARES Act provides for an additional \$600 of unemployment benefits per week for up to four months, a potential total of \$9600 above what is provided by the state. For those still unemployed at that 4-month mark, there is the possibility of additional benefits available through the end of December 2020.

WAIVER OF 10% TAX PENALTY FOR CORONAVIRUS - RELATED RETIREMENT PLAN DISTRIBUTIONS:

For 2020, individuals under the age of 59½ can potentially withdraw up to \$100,000 from a qualified account without the normally applicable 10% tax penalty, but the withdrawal must be for Corona-related purposes. The \$100,000 withdrawal limit is an aggregate total. A qualifying individual would not be able to take \$100,000 from their IRA and an additional amount from their 401(k). They would be allowed to take \$50,000 from an IRA and \$50,000 from their 401(k) as the aggregate total of \$100,000.

REQUIRED MINIMUM DISTRIBUTION WAIVER FOR 2020:

Though many retirees depend on their required minimum distribution withdrawals as income, those who do not can suspend their 2020 RMDs. This allows investors to let their portfolios rebound prior to taking their next RMD in 2021. If an RMD was taken within the last 60 days, you may use the once-a-year (12-month period) 60-day IRA rollover to put the money back into a tax deferred account.

CHARITABLE CONTRIBUTION CHANGES:

For 2020, cash charitable contributions can be deducted up to 100% of adjusted gross income (AGI). Previously, a taxpayer could only deduct up to 60% of AGI for cash contributions. The Act also provides for a new above-the-line deduction for taxpayers who can't itemize deductions on their federal tax return called qualified charitable contributions. The maximum amount is \$300. These provisions encourage individuals to continue their charitable donations to aid nonprofits during this challenging economic time.

There are many provisions within the CARES Act that pertain to other specific financial situations such as small businesses or student loans. We encourage you to contact us to discuss your particular situation in more detail.

One CAN Make a Difference!

Please join us in helping feed those most vulnerable in our community at this time. Bring your nonperishable food items to our office at 1485 Monroe Avenue in Rochester from May 1 - May 15. All items will be donated to FoodLink. To keep everyone safe, plastic bins will be placed outside LFPs back entrance for your donations. Feel free to drive up the ramp to drop your items off. Thank you for helping those most in need during the COVID-19 crisis.

Together we CAN make a difference!



First the Good News...

We're excited to introduce our newest member of the Legacy Financial Planning team - Financial Advisor, Rob Fox. Rob brings with him more than 30 years of financial planning experience, nearly 20 of those working with the Raymond James organization. Although moving to Rochester to enjoy our long, cold winters is enticing (sarcasm!), Rob will continue to practice from his well-established location in sunny Tampa, Florida. We're excited about partnering with

Rob and believe his experience and proven dedication to his clients will be a nice addition to our family. Read more about Rob in the *About Us* section of our newly designed website at <https://www.legacyfp.com/>.

Now for the Bad News...

Kaitlyn Kuder has resigned from her position as Client Services Coordinator. We wish her all the best in her new endeavors and thank her for her dedication and service to our clients. Best of luck, Kaitlyn!

Connect with us!



Market Update

The COVID-19 pandemic is having a profound effect on our lives. We all are paying close attention to worldwide efforts to curtail the spread of the virus and to discussions about reopening the economy. Through it all, we hope you and those close to you are finding ways to safeguard not only your physical health but also your mental and emotional well-being.

With so much happening – including the bounce we saw in the stock market over the past week – we believe it’s important to share with our valued clients the latest information from Raymond James.

“U.S. equities continued their recent move higher and are now up over 20% off of the lows set on March 23,” Raymond James Chief Investment Officer Larry Adam said. “If this positive performance holds into market close, it would mark the strongest 12-day rally (+21%) for the S&P 500 since 1938. While this positive bounce is a reflection of the market pricing in positive news over recent days (e.g. potential peak in New York cases, increase in fiscal stimulus), we are not yet out of the woods with respect to the virus given that we do not yet have a vaccine or therapeutic.”

Although the full extent of the economic impact from COVID-19 and social distancing measures remains uncertain, some things appear to be taking shape.

“The near-term economic outlook has begun to coalesce around a sharp downturn in gross domestic product in the second quarter of 2020 – possibly at around a -30% annual rate, maybe more,” Raymond James Chief Economist Scott Brown said. “The prospects for improvement in the second half of the year are more uncertain, and will depend on whether we can halt the spread of the virus, come up with an effective treatment and begin to unwind social distancing. The economy will recover, but a rapid bounce-back appears unlikely.”

Most importantly, we wanted to take this opportunity to tell you that we miss you, to tell those of you who are on or have loved ones on the frontlines that we appreciate all of your efforts and sacrifices that you and your families are making. We look forward to this pandemic being behind us so we can get back to business as usual and so your families can get back to a life of less worry and less stress. Like you, we have no idea when that might happen, until then, PLEASE DO NOT HESITATE to reach out to us with any questions or concerns that you have. We are here for you and look forward to your calls. Please stay healthy, please stay safe, and whenever possible please stay home.

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President, Legacy Financial Planning
Financial Planner, RJFS*

“Our goal is to help ensure you don’t run out of income before you run out of breath.”

We're still scheduling reviews!

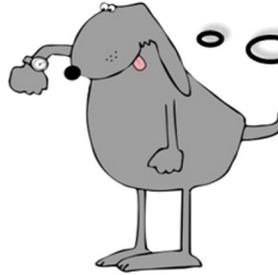
Reviews are continuing to be scheduled on a regular basis and are being done via phone or through Zoom videoconferencing. Call the office today at (585) 241-5250 to schedule your review!



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Call today to schedule your "Virtual" Review. Phone or Zoom offered.



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BLUE HEARTS TO HONOR OUR HEALTHCARE HEROES!

They're on the front line every day, working tirelessly to care for our community. They are the healthcare workers - giving up their time, putting their own lives on hold - and at risk - for us.

Our own Brian Bedford knows this personally. His wife, Colleen, is a Certified Registered Nurse Anesthetist at Strong. Their lives, like so many others who have loved ones working in the healthcare field, have been turned upside down.

In honor of Colleen, and all healthcare professionals in our communities, we're asking you to join us in showing our appreciation for their selfless dedication during this unprecedented time.

HANG A BLUE HEART ON YOUR FRONT DOOR, IN YOUR CAR WINDOW, ON YOUR STOREFRONT OR ANYWHERE THAT THEY CAN BE SEEN TO SHOW OUR SUPPORT FOR OUR DEDICATED AND VITAL HEALTHCARE WORKERS.

