



## Five Ways We've Recently Helped Our Clients

By Jon S.

In this post, we share a handful of ways we've helped our clients save on taxes, be more philanthropic, and make more informed financial decisions.

**Qualified Charitable Distribution from an IRA** – A QCD allows someone over the age of 70.5 to gift money out of their IRA account directly to a charitable organization. This is beneficial for meeting [required minimum distributions \(RMDs\)](#) and turning what would be taxable income into a tax deduction. Plus, you don't have to itemize to take advantage of a QCD. We've helped several clients facilitate significant gifts to [501\(c\)3 organizations](#) in the last few months. [Click here for more information about Qualified Charitable Distributions.](#) [Another good resource on QCDs lives here.](#)

**Medicare/SHIP reviews** - Diane and Elizabeth in our office are licensed [SHIP counselors](#), meaning they provide unbiased assistance with exploring and explaining Medicare options. This is a complimentary service to our clients, and they are not insurance salespeople. During this most recent open enrollment period, they met (virtually or in-person) with roughly 40 clients and saved them over **\$100,000** in Medicare premiums and drug costs. If you aren't taking advantage of this service, there's a good chance you're leaving money on the table. If you're approaching age 65 and would like help [enrolling in Medicare](#), Diane and Elizabeth can help you. Also, see our [Medicare Minute](#) section of the blog.

**Bunching charitable contributions using a donor-advised fund (DAF)** – Another great tool to save on taxes while supporting tax-exempt organizations important to you. A [donor-advised fund](#) works best when you contribute highly appreciated stocks because you avoid paying capital gains taxes. Assuming you eclipse the [standard deduction amount](#), you also gain a charitable deduction on your tax return. During 2020, we've had several clients sell their business, giving them a great opportunity to bunch future charitable gifts into the current tax year. We wrote about [bunching charitable contributions](#) in October.

**Unwinding expensive annuity/whole life insurance products** – We've seen a noticeable uptick in new clients coming to us with very expensive insurance products masquerading as investments. [Annuities](#) with all-in annual expenses approaching 4%, whole life insurance products that serve as expensive forms of protection, and policies on kids sold as college savings tools, just to name a few. Our licensed insurance consultant will analyze the true costs of owning these products and help you determine the right amount of insurance for your situation through our financial planning process. As a [fiduciary](#), we do not sell any insurance products, so know that our advice will be objective. We can recommend reputable vendors if additional insurance is needed and a right fit.

**Five Uses of Money** – One of the most powerful aspects of defining a savings plan that puts you on track to reach your goals is that it frees you to live (and give) in the present. We've helped numerous clients with our Finding the Balance/Five Uses of Money planning tool. This is a great process to go through because you'll gain a better understanding of how much of your income goes toward living, giving, saving, taxes, and debt. In addition, you can see if your current savings rate will allow you to replace your desired level of income in retirement. [Click here for an intro look at Five Uses of Money.](#)

If you would like our help in reviewing your financial situation or with any of the topics discussed above, [please contact us.](#)

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