



BERRY FINANCIAL GROUP, INC.

NEWSLETTER

FEBRUARY 2020

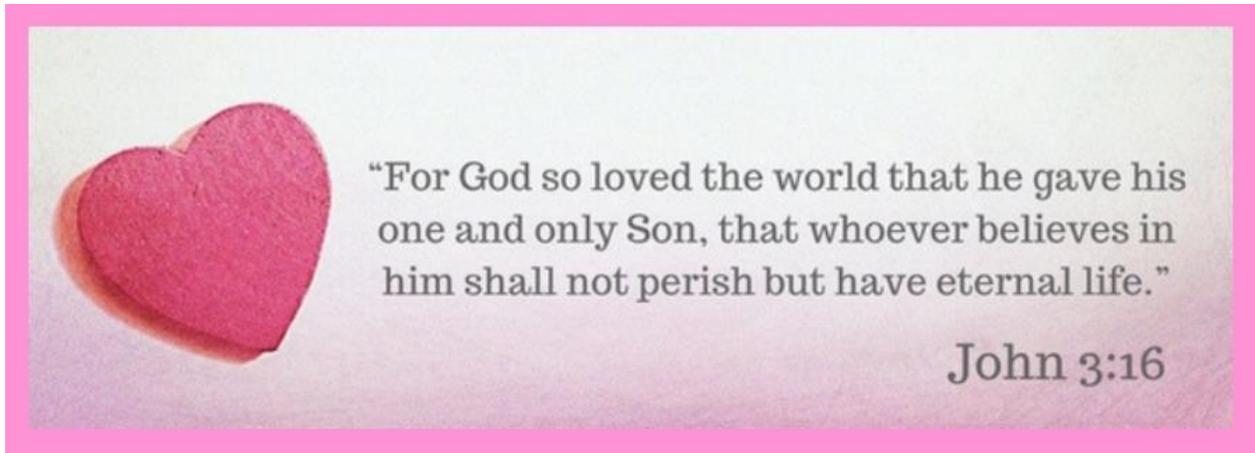
A Confident Financial Future

- Tuesday, February 11..... Port City Chop House in Wilmington, NC (6:00 PM)
- Thursday, February 13Ruth’s Chris Steak House in Wilmington, NC (6:00 PM)
- Tuesday, February 18.....Ruth’s Chris Steak House in Wilmington, NC (6:00 PM)
- Thursday, February 20 Port City Chop House in Wilmington, NC (6:00 PM)
- Thursday, February 27 Mr. P’s Bistro in Southport, NC (6:00 PM)
- Tuesday, March 3 Ruth’s Chris Steak House in Myrtle Beach, SC (6:00 PM)
- Thursday, March 5 Ruth’s Chris Steak House in Myrtle Beach, SC (6:00 PM)
- Tuesday, March 10 Ruth’s Chris Steak House in Myrtle Beach, SC (6:00 PM)

Invitations to the above seminars are distributed by a direct mail marketing firm in Florida. If you receive one, please do not call the RSVP number provided on the invitation.

Clients and their spouses are invited to attend these functions; however, we do ask that you bring someone with you who is at or nearing retirement age and has never heard Richard’s presentation.

When registering for one of these seminars, please contact our home office at 1-888-774-6181. By calling us directly, you are assured top priority for seating at these workshops.



“For God so loved the world that he gave his one and only Son, that whoever believes in him shall not perish but have eternal life.”

John 3:16



The Secure Act Has Been Passed!

The Setting Every Community Up for Retirement Enhancement Act of 2019 was passed at the final hour of 2019, and you need to know about it. There are a few VERY important details that will impact many people's plans, and it is our goal to provide this crucial information as we walk you through any potential changes that could affect you. A few of the changes we want to make you aware of are:

1. **The ELIMINATION of the Stretch IRA** = This one change alone will bring in another \$16 BILLION of REVENUE to the IRS!

Who do you think will pay that \$16 billion? The many baby boomers that have the majority of their money in IRA's and PRE-TAX accounts. In the past, a child, grandchild, nephew, or niece could inherit your IRA and put it into their name which allowed them to *stretch* the IRA out over their life expectancy meaning they could take out 3-6% per year while continuing to get the tax deferral growth and income for 20-40 years! Now, that same person that inherits your Pre-Tax account will have to withdraw ALL OF THE MONEY within 10 years! They must pay taxes on your entire life savings within 10 years which will probably push them into a HIGHER tax bracket, DECREASING money they ultimately receive, and INCREASING what the IRS gets. *Roth IRA's* and *Life Insurance* planning will be the key to delivery of TAX-FREE money to your family.

2. **Increasing the RMD Age to 72** = In the past, you would have to take out a Required Minimum Distribution in the year you turned 70.5 years of age. Now, you can defer your RMD until you turn 72, thus allowing an extra year for Tax-Deferral. Many investment companies and financial institutions are developing paperwork to send out to educate their clientele on this massive change. If you are already receiving your RMD, nothing will change.

3. **Contributions to an IRA past age 70.5** = You can now contribute to an IRA as long as you are showing *EARNED INCOME* even if you are older than 70.5! This is a big change and will allow people to continue saving for their future into their 70's and 80's as long as they are earning income. With the life expectancy increasing and lifestyle/health costs continuing to rise, the IRS is allowing IRA contributions as long as you are working. Even though they are making you take it out via RMDs at age 72 and beyond, if you are continuing to work, they will allow you to put a portion of your money back via the contribution if you choose.

These are huge changes and will have an impact on your retirement and also your legacy to your family. Do you want to give the majority of your money to your *FAMILY* or to the *IRS*? Depending on what your goals and aspirations are, this is a great time for planning to increase the *WEALTH* passed to your family and NOT to the IRS. At Berry Financial Group, we are here to serve you and to keep you educated on the changes occurring so that you can make educated decisions to help you accomplish your financial dreams. Please give us a call if you are interested in passing your money on to the next generations in the most **Tax-Efficient** manner while tax rates are *HISTORICALLY LOW*. Wouldn't it be incredible to pay taxes now at *LOW RATES* and generate *TAX-FREE* money for your family?

Tax Example:

Married Couple Over Age 65 (Assumes \$30,000 of Annual Social Security: This is the Average Social Security)

Social Security:	\$30,000
Standard Deduction in 2020:	\$27,400
Total Income:	\$57,400
How Much is Taxable of the \$57,400?	\$5,200

A married couple could withdraw \$27,400 of fully taxable money in addition to their \$30,000 of Social Security and only pay taxes on \$5,200, which would be **\$520**.

Standard Deduction:	\$27,400 = \$0
Taxable Social Security:	\$5,200 = \$520
Total Tax Paid:	\$520

This couple could withdraw \$57,400 of Social Security and fully taxable money every year for 20 years for a total of \$1,148,000 and only pay \$10,400 in federal income taxes over 20 years.

That is less than 1 percent tax!

Tax Example Maxing Out 10% Bracket

Social Security:	\$30,000
Standard Deduction:	\$27,400
Max Out 10% Bracket:	\$19,750
Total Income:	\$77,150
How Much is Taxable of the \$77,150?	\$68,578

A married couple could withdraw \$47,150 of fully taxable money in addition to their \$30,000 of Social Security and only pay taxes on \$68,576, which would be **\$4,594**.

Standard Deduction:	\$27,400 = \$0
10% Tax Bracket:	\$19,750 = \$1,975
Taxable Social Security:	\$21,828 = \$2,619
Total Tax Paid:	\$4,594

*This couple could withdraw \$77,150 of Social Security and fully taxable money every year for 20 years for a total of \$1,543,000 and only pay \$91,880 (\$4,594 x 20 years) in federal income taxes over 20 years. **That is a 5.95% effective tax rate!***



JORDAN BERRY, DMD


MYRTLE BEACH
DENTAL ASSOCIATES
cosmetic & family dentistry

843-449-4372

www.MBDentalAssociates.com

8151 Rourk St. 82nd Parkway
Myrtle Beach, SC 29572

Summer BBQ

Saturday, June 6

11:00 AM – 3:00 PM

**HOME OF JAN AND RICHARD BERRY
WHO IS INVITED?**

**ANYONE WHO BECAME A NEW ANNUITY, LONG TERM CARE, LIFE, OR
MEDICARE SUPPLEMENT CLIENT OR
SENT A REFERRAL**

DECEMBER 10, 2019 – JUNE 4, 2020

BERRY FINANCIAL SECURITIES, LLC, IS A REGISTERED INVESTMENT ADVISOR. INFORMATION PRESENTED IS FOR EDUCATIONAL PURPOSES ONLY AND IS NOT INTENDED TO MAKE AN OFFER OR SOLICITATION FOR THE SALE OR PURCHASE OF ANY SPECIFIC SECURITIES' PRODUCT, SERVICE, OR INVESTMENT STRATEGY. INVESTMENTS INVOLVE RISK AND UNLESS OTHERWISE STATED, ARE NOT GUARANTEED. BE SURE TO FIRST CONSULT WITH A QUALIFIED FINANCIAL ADVISOR, TAX PROFESSIONAL, OR ATTORNEY BEFORE IMPLEMENTING ANY STRATEGY OR RECOMMENDATION DISCUSSED HEREIN.

Copyright 2020 - Berry Financial Group, Inc., All rights reserved

