

2024: IMPORTANT NUMBERS TO KNOW

Changes That Will Impact You



As you know, every year brings changes to tax rates, contribution limits, and other things related to personal finance.

It is always important to stay up to date on these numbers as you can take advantage of some of these opportunities to add to your nest egg.

MEDICARE

Part B premium will be **\$174.70** if your MAGI is **\$206k** (married filing jointly) or **\$103k** if single.

If you make more, this is the surcharge based on your income:

SURCHARGE	MARRIED INCOME	SINGLE INCOME
\$69.90	\$206-258k	\$103-129k
\$174.70	\$258-322k	\$129-161k
\$279.50	\$322-386k	\$161-193k
\$384.30	\$386-750k	\$193-500k
\$419.30	\$750k+	\$500k+

INCOME TAX RATE

Income tax brackets for married filing jointly start at 10% for incomes up to \$23.2k and go up from there to 37% for incomes over \$731.2k. For singles, the 10% bracket covers incomes up to \$11.6k, reaching to 37% for incomes

over \$609.35k.

TAX RATE	MARRIED INCOME	SINGLE INCOME
10%	\$0-23.2k	\$0-11.6k
12%	\$23.2-94.3k	\$11.6-47.15k
22%	\$94.3-201k	\$47.15-100.5k
24%	\$201-383.9k	\$100.5-192k
32%	\$383.9-487.5k	\$192-243.7k
35%	\$487.5-731.2k	\$243.7-\$609k
37%	Over \$731.2k	Over \$609.3k

STANDARD DEDUCTION

The standard deduction increased to \$29,200 for married couples filing jointly and \$14,600 for single filers.

LONG TERM CAPITAL GAINS TAX

You pay capital gains on stocks held longer than a year that you sell. The tax rates are based on your taxable income. It begins at 0% with incomes up to \$94,050 for married couples and \$47,025 for singles. The 15% rate ranges from \$94,051 to \$583,750 for married couples and \$47,026 to \$518,900 for singles. The 20% rate applies for incomes higher than these amounts.

SOCIAL SECURITY

A Cost Of Living Adjustment of 3.2% will kick in next year. The wage base is set for \$168,600. Income above this level is not taxed for social security.

ESTATE & GIFT TAX

The amount you can gift to someone is being raised to \$18,000. If you are gifting as a couple, you can donate \$36,000 without paying tax on your gift.

The lifetime exemption for estate and gift tax is \$13,610,000 for 2024, with a tax rate of 40%.

IRA CONTRIBUTION LIMITS

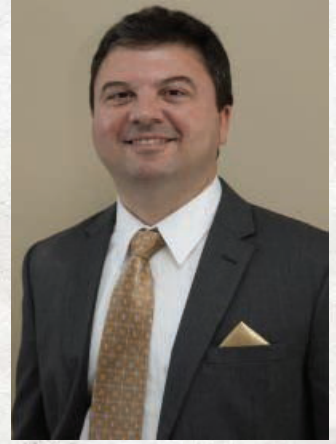
IRA and Roth IRA contributions for 2024 are capped at \$7,000 for those under age 50 and \$8,000 for those age 50+ for catch-up contributions.

The phaseout ranges for traditional IRA deductibility (if covered by a work plan) start at \$146,000 and end at \$161,000 for single filers and \$123,000 to \$143,000 for Married Filing Jointly.

For Roth IRA, the phaseout ranges from \$230,000 to \$240,000 for married couples filing jointly and \$146,000 - \$161,000 for single filers.

RETIREMENT PLAN LIMITS

The contribution limit for plans like 401(k), 403(b), and similar is \$23,000, with a catch-up contribution of \$7,500 for individuals aged 50 and above.



Ah, December has arrived. That time of the year when Christmas lights and decorations adorn our homes. Interestingly, the month of December, from the Latin root Decem, means 10. The ancient Roman Calendar only had 10 months. Not until the Julian Calendar was established in 45BC, when the months of January and February were added, which bumped all of the months back. December 7th is Pearl Harbor Remembrance Day, in recognition of the Japanese attack that forced the US to enter World War II in 1941. Thursday the 7th, Hanukkah begins at sundown for all of our Jewish friends. Winter officially arrives December 21st with Christmas following shortly after, on the 25th. And, of course the very last day of the year, December 31st ushers in New Year's Eve and a brand new year filled with promise and opportunity. I would like to thank all of our clients for a great 2023 along with your continuing trust. May you and your family have a wonderful holiday season making great memories together that will last a lifetime.

Respectfully,
Alexis Hongamen, CFP®, CRPC®

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England & Scotland



minster Abbey. Even though people said they were 'very touristy' sometimes that can be a good thing."

They also went to the northern part of the country and visited Manchester. "I'm a HUGE Manchester City fan," said Jerry. "I've been following them since I was a teen and it was a huge thrill to see a game up there and actually tour their stadium. I got to sit in the coach's chair where he does press briefings. It was a nice experience."

"You see it in movies but it exceeded our expectations in terms of beauty. And the people are extremely proud of their country, They are very patriotic to Scotland. Reminds me of how things used to be in America 20 years ago," Jerry added. "If it's your first time there, don't be fearful of booking a guided tour. They tell you things you may not know and take care of all the driving and navigating around," said Jory.

SCOTLAND

The couple then swung west to visit Scotland. "We both loved the Scottish Highlands,



Jerry McKune laughed at my question. "Yes, you can say that I had some interest in visiting Scotland because of my last name," said McKune, an IT professional for Clovis Unified School District in California. He and his wife, Jory, a manager at California Health Sciences University, went on a bucket-list trip to England and Scotland during the month of October.

ENGLAND

"Jory LOVED London. We both did actually," said Jerry. "We chose places we had always read about and wanted to experience. Places like Big Ben, Buckingham Palace, West-

"... from page 1"

ESTATES & TRUSTS TAX BRACKETS

The tax rates for estates and trusts begin at 10% for incomes up to \$3,100 and cap at 37% for incomes over \$15,200.



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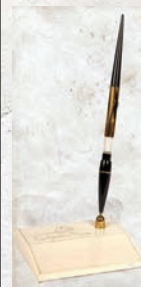
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Flashback 40 Years Ago This Month

Clint Eastwood
Sudden Impact



Questions? Call Alexis 407-729-8516



Tip Of The Month

I receive a lot of questions on **annuities**. The questions usually come after people attend a presentation at a fancy steakhouse. Commissions are very high for those that sell annuities. That's how they can afford paying for people's filet mignon. The questions are usually as follows: are they good? what are the pros and cons? That's a heavy topic that I'll cover in the coming months. For now, let's define what they are & what types of annuities are out there.

What is an annuity? It is a contract between you & an insurance company that requires them to make payments to you. **An immediate annuity** is one where a lump-sum payment to the insurance company is converted into an immediate continuous stream of income to you for a specified period of time or for life. **A fixed income annuity** is one where you are promised a "fixed" interest rate and a "fixed" number of payments. Fixed meaning an agreed upon set amount. **A variable annuity** is one whose contract value can vary based on the performance of the investments chosen, hence the term "variable". They can end up being worth more or less than a fixed income annuity.

An indexed annuity is one where the interest rate is tied to the performance of a market index, such as the S&P 500. There may be limits to how much you can gain or lose in this annuity.

This is a complicated topic which we'll explore more another month. **Remember to NEVER invest in anything you don't understand.**

MOVIES

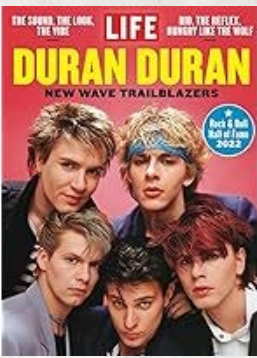
The top movies in December 1983 were:

1. **Sudden Impact**.....Classic Eastwood movie.
2. **Terms of Endearment**....Sorry but as a 14 yr old boy, this wasn't on my list.
3. **Scarface**.....Yep, I saw it.
6. **Christine**....Stephen King movie.
8. **The Rescuers**.....Great Disney movie.

MUSIC

Billboard Hot 100 in December 1983 featured:

- Say Say Say by Paul McCartney and Michael Jackson.....MJ gone too soon
- All Night Long (Lionel Richie).....Saw him in concert a couple of years ago and he's still really good
- Uptown Girl (Billy Joel)....Video featured Christie Brinkley his future wife
- Say It Isn't So (Daryl Hall and John Oates)....I recently found out they can't stand each other!
- Union of The Snake (Duran Duran).My favorite 80s band along w/Def Leppard



SPORTS

- QB Aaron Rodgers was born Dec 2, 1983.
- LA Dodgers pitcher Steve Howe suspended for 1 year due to cocaine use.
- Last NFL game at Shea Stadium; Steelers beat NY Jets 34-7
- NBA's highest scoring game: Detroit 186, Denver 184 (3 OT)
- Yogi Berra named New York Yankees manager for 2nd time



Idiom Of The Month

“Extending An Olive Branch”



Greco-Roman World

An olive branch was held by petitioners to show their status as commoners when approaching persons of power or in temples when praying to the gods. Olive wreaths were worn by brides and awarded to victors.

Olive branches began to be used as gestures of peace during Roman wars. The olive tree is endemic to the Mediterranean Basin.

On the Great Seal of the United States, the olive branch has 13 olives and 13 olive leaves to represent the 13 original colonies. Later on, a bundle of 13 arrows were added. The idea of the olive branch opposing the bundle of 13 arrows was to "denote the power of peace & war which is exclusively vested in Congress."

The emblem and flag of the United Nations bear a pair of stylized olive branches surrounding a world map.

“Extending an olive branch” is an idiom that means to offer peace or reconciliation. It can also mean to approach an enemy in a conciliatory manner. The phrase has a long history, dating back to ancient Greece, Rome, and biblical times.

Modern Use

Since the 1700s, the olive branch sometimes held by a dove, has been used as a peace symbol.



FINANCIAL TRIVIA *How many can you guess???*

1. **Where does Wall St get its name?** A) Walnut tree in Manhattan where traders first congregated B) Garrett Wall, Senator from NJ C) A wooden wall Dutch colonists built to defend New Amsterdam(now known as New York City) D) The Wall Street Journal
2. **Where does The Dow Jones get its name?** A) Dow Leather and Jones Tobacco, 1st stocks offered to investors B) Named after publisher Charles Dow and statistician Edward Jones C) Emerson Dow and Horatio Jones, who donated land to build the NYSE
3. **Who wrote "nothing is certain, except death and taxes"?** A) Alexander Hamilton B) Shakespeare C) Benjamin Franklin
4. **What year was the Dow Jones Industrial Average (DJIA) introduced?** A) 1812 B) 1860 C) 1896 D) 1912
5. **How many companies initially formed the DJIA when it was founded?** A) 12 B) 24 C) 30 D) 50
6. **What current DJIA member has been on the Dow the longest?** A) American Express B) Chevron C) IBM D) Proctor & Gamble
7. **What month is historically the worst in terms of Dow's performance?** A) February B) June C) August D) September
8. **Which statement is false about Certificates of Deposit (CD)?** A) Insured by the FDIC B) Pays a variable rate of interest C) Penalties are imposed if money is withdrawn before the term ends. D) Viewed as safe although the interest rate may be low.
9. **How many federal tax brackets are there currently in the US?** A) 3 B) 4 C) 6 D) 7
10. **What's the largest brokerage for online investing by total deposits?** A) Schwab B) E*Trade C) Fidelity D) Vanguard

Answers: 1) C. Built in 1653 to protect the city from the British and Native Americans 2) B. In 1882, Dow and Jones started a financial reporting summary of the day's financial news. 3) C. 4) C 5) A. American Cotton Oil, American Sugar, American Tobacco, Chicago Gas, Distilling & Cattle Feeding, GE, Laclede Gas, National Lead, North American, Tennessee Coal & Iron, US Leather, US Rubber. 6) Proctor & Gamble since 1932. GE was removed in 2020. 7) D. Down an average of 1%. 8) B. 9) D. They range from 10%-37%. 10) D. \$5.6 trillion in assets.

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