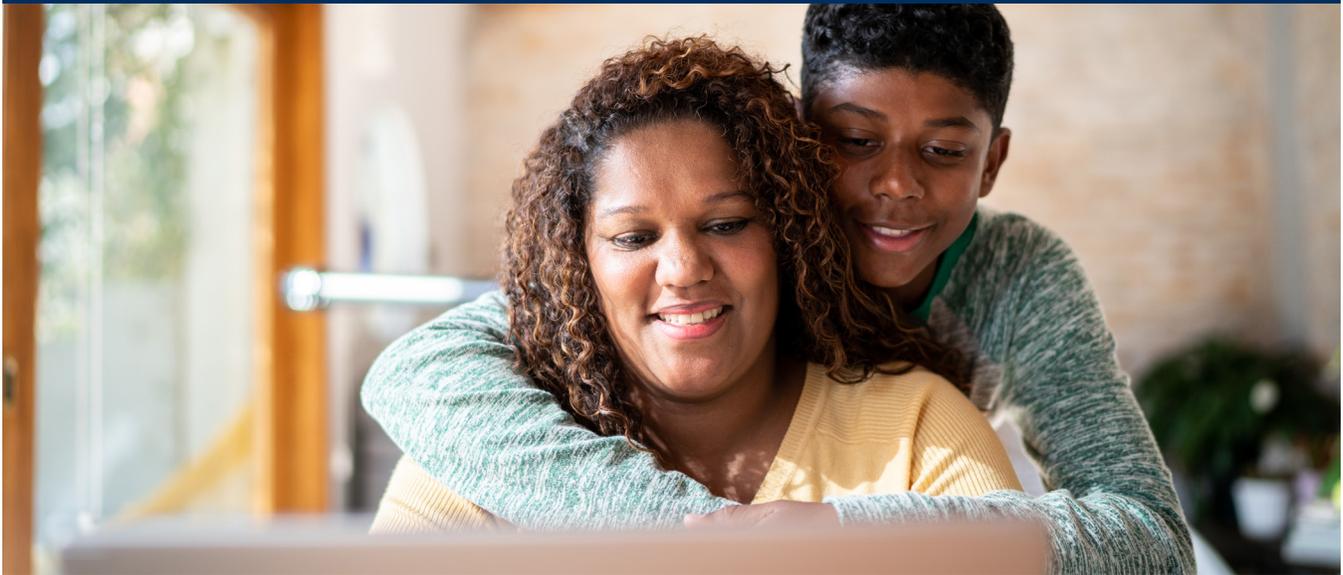


SUCCESSFUL WOMEN

TIMELY INVESTMENT AND FINANCIAL PLANNING TOPICS



Hidden benefits of 529 plans

Beyond education savings, these plans can work for you – not just your kids

Most commonly, 529s are known as a tool to save for college expenses tax-free, but even if you can cover college costs in other ways, don't overlook how using these plans can benefit you. These investment vehicles can be used as a tax-efficient way to transfer wealth to future generations, reduce your estate taxes, and more.

Consider the goals you want to pursue with your estate and education planning. Do you want to minimize your taxable estate, provide for your loved ones' education, or have flexibility to move the money? Once you know your goals, you can look deeper into your options.

529 PLAN BASICS

Costing almost nothing to set up, 529 plans offer several benefits, including tax-advantaged growth, flexibility, and high contribution limits.

Contributions to the plan are made with after-tax dollars, but earnings grow tax free, and withdrawals do, too, if used for qualified education expenses such as tuition, fees, books, and college room and board.

You can use the funds to pay for the education of any eligible family member, and you can change your beneficiary multiple times – so you can move money across generations without incurring taxes (as long as you don't reach gift tax exclusions).

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Hidden benefits of 529 plans (cont.)

There's no federal limit on the amount of money that can be contributed to a 529 plan, and many states offer additional tax benefits for contributions made to their own state's plan. There's also plenty of flexibility in how the money can be invested.

Scholarships can be used in conjunction with a 529 plan, and funds can be used to toward graduate school or qualified apprenticeship programs to help students learn a trade and start their careers.

THE HIDDEN BENEFITS

Much more than a college savings vehicle, 529 plans empower you with additional strategies that can work to your advantage – and help you make the most of your money now and in the future.

Reduce your taxable estate. Contributions to 529 plans are considered gifts for federal estate tax and state estate tax purposes, meaning you can remove money from your taxable estate by contributing to a 529 plan.

Roll a 529 plan over into a Roth IRA. Starting 2024, the SECURE 2.0 Act makes it possible to roll over unused 529 plan funds to a Roth IRA when owned by the beneficiary, turning education savings into retirement savings. The 529 plan must be active for more than 15 years, the funds must be in the account for at least five years, and up to \$35,000 can be rolled over to the Roth IRA over the account beneficiary's lifetime (annual contribution limits for IRAs still apply).

After moving unused 529 plan funds to a Roth IRA, you designate yourself as the beneficiary. After this, you can contribute money to the plan and invest it in a variety of investment options. When you retire, you can withdraw the money from the plan tax-free and use it to pay for qualified retirement expenses, such as living expenses, healthcare costs and travel.

Take control over how your assets are distributed. You can change the beneficiary at any time, giving you control over how your assets are distributed after your death.

Pay tuition in cash – to the 529 plan. Instead of writing a check to the institution, fund a 529 plan, which could allow you to take a deduction on that amount. Then pay the tuition straight from the plan. You can also fund tuition out of a Uniform Transfers to Minors Act (UTMA) transaction or trust account.

Save for college expenses for multiple children or grandchildren. Open a single 529 plan and change the beneficiary as needed – making it easier for you to plan your annual contributions and distributions.

Gift the money to a beneficiary. You can gift up to \$17,000 per year per beneficiary (or \$34,000 if you're married) to a 529 plan without incurring gift taxes. This is a good way to help the beneficiary save for college without having to pay taxes on the gift.

Gift money to family members or friends. A 529 empowers you to gift up to five years' worth of annual gift tax exclusions in a single year without incurring gift taxes, so you could gift up to \$85,000 per year per beneficiary or \$170,000 per year per beneficiary if you're married.

Gift money to a donor advised fund without incurring gift taxes. A donor advised fund is a type of charitable giving account that allows you to make donations to charity and then recommend how the money is used over time.

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With these tax-saving options, even if you can afford to pay cash for college doing so may not be in your best interest. Explore your options and consult with your financial advisor or estate planning attorney to uncover which strategy can help you make the most of this tax-advantaged investment vehicle. ■



NEXT STEPS

- Consider what goals you want to pursue with your estate and education planning and if any of these strategies could benefit you and your family
- Evaluate and compare 529 plans to determine the one that aligns best with your end goals
- Talk to your financial advisor for perspectives on choosing a 529 plan



Take back time

Rethinking how you schedule your days can set you free

While some things may be out of our control, much of our life comprises the choices we make – including how we manage our time, or don't.

Our drive for productivity, especially in the U.S., has us so caught up in optimizing efficiency that we can spend hours managing our schedule, leaving less time for getting things done (or making time for self-care).

Tight time management can become counterproductive, leading to stress, anxiety, and burnout. When the usual techniques don't seem to be creating space in your life, anti-time management can be a refreshing way to reduce stress, improve your focus, simplify, and even promote productivity.

SHIFTING PRIORITIES

When you stop actively trying to manage your time, you're able to focus on your energy, emotions, and priorities. Take a hard look at your daily to-dos and check in with how you're feeling. What can you let go of? What can wait? What if you prioritized one thing for yourself before filling your day with everything else?

Richie Norton, author of *Anti-Time Management: Reclaim Your Time and Revolutionize Your Results with the Power of Time Tipping*, proposes embracing this concept. "You control your time," Norton asserts. "You decide what you want to do, when, and where. You decide if you want to create space or not."

If this makes you laugh out loud because it feels impossible, consider how Norton invites you to get started by identifying "final causes," a term from Aristotle that gets to the reason why something is done. "An acorn becomes an oak tree. Why not just plant an oak tree from the start?"

So next time, before you slip into uncontrollable chaos, look beyond the basics of traditional time management and try something new for a different result.

- Prioritize tasks that have the biggest impact on your goals
- Identify and eliminate tasks that don't move you toward your goals
- Base decisions on values and goals, not what's most convenient or urgent
- Focus on one task until it's complete
- Rather than checking off tasks, focus on results
- Tackle five easy tasks first, and for every big-ticket task, perform three small items

Experiment and make small changes to find what works best for you at this time in your life. Through that, you'll be able to prioritize what's truly valuable to you both personally and professionally. This will help you to stay on track and check things off your to-do list with greater ease and effectiveness. ■

NEXT STEPS

Try these tools to see what has an impact on your life.

- **Sunsama:** Organizes tasks, to-dos, and meetings in one place – aligning tasks with your time
- **Pomofocus:** Breaks work into 25-minute blocks split by 5-minute breaks
- **Brain.fm:** Music app designed by neuroscientists and music engineers to help with focus
- **Superhuman:** Get through your email inbox faster.
- **Freedom.to:** Blocks distractions for your work focus
- **Paper and pen:** Just because a method is tech-forward doesn't mean it will work for you



What to do after a loved one passes away

Take action during an overwhelming time with this quick guide

When someone close to you dies, the whirlwind of emotions and planning can be paralyzing. And if you're the heir in charge or executor of your loved one's will, decision-making and to-dos are a heavy weight on your shoulders.

You'll need to be up for this huge undertaking, often described as a second job. Don't be afraid to share concerns if you aren't the best fit for the job. Even if you're ready, find helpers such as your loved one's financial advisor and attorney to guide you and put the estate plan into action.

If you accept the role, check in with yourself. What support will you need? Support could look like grief counseling through a therapist or having meals delivered. You may need to include more free time in your schedule for space to cope. Prioritize sleep, healthy foods, and movement to make sure your physical self can keep up with the extra stress you're putting on your body, mind, and soul.

ONE STEP AT A TIME

Breaking down to-dos into steps can help you move forward. First, you'll want to get multiple copies of the death certificate. Typically, the funeral home will order this. You'll need the certificates to notify various institutions, such as insurance companies, of your loved one's death.

Locate the will to determine if probate is necessary. If there's a will, file a petition for probate. If there isn't a will, the court will select an administrator (You can reach out to family and friends to gauge interest) to manage the estate.

Notify beneficiaries and interested parties of the death as soon as possible. Executors need to let family, friends, heirs, beneficiaries, and any others know. When you find pockets of

time, cancel subscriptions and services – phone plans, internet and utilities, car insurance, credit cards and other accounts and services will need to be canceled.

You'll want to gather estate asset records such as bank accounts, vehicle information, retirement accounts, life insurance, investments and stocks, trusts, property titles, business interests, and personal belongings. Recent tax returns can help. Debts and taxes of the estate will need to be paid, including funeral expenses. Once debts are paid, the executor can distribute assets to the beneficiaries according to the will or the laws of the state.

Even the strongest person may need a helping hand. The passing of a loved one is emotional, and executing an estate plan is highly administrative. The help of financial advisors, accountants, insurance agents, attorneys and supportive family and friends can make the process smoother and less stressful. ■

NEXT STEPS

Action items for those first few weeks:

- Notify beneficiaries and gather important documents such as the will, death certificate, and financial statements
- File death certificates with the Social Security Administration, other government agencies, and financial institutions as required by the state. Apply for veteran benefits, if applicable.
- Open a bank account for the estate. Contact creditors and other debtors. Begin paying the deceased's final expenses, such as funeral costs and medical bills

Raymond James and its advisors do not offer tax or legal advice. You should discuss any tax or legal matters with the appropriate professional.