

CRITICAL TRANSITIONS WEALTH ADVISORS

College Savings Month!

Did you know that September is National College Savings Month?! Whether a college education is a distant dream you hold for a newborn child or a financial imperative staring you in the face, it is important to take swift steps to begin meeting this challenge. Next to retirement planning, paying for your children's education could be the largest expense that your family will bear. A 529 college savings program is an option to help meet this need and save for higher education. Distributions from a 529 plan can be used to cover a long list of qualified education expenses at qualified institutions. Here's a summary:



K-12

- Tuition up to \$10,000 per year per student

Postsecondary

- Tuition and fees
- Books, supplies and equipment required for enrollment or attendance
- Room and board (on- or off-campus for students who are at least half time)
- Computer peripheral equipment, software and internet access if used primarily by the beneficiary
- Special needs services as required by beneficiaries in connection with enrollment or attendance
- Fees, books, supplies and equipment required for participation in a registered apprenticeship program

Types of eligible institutions

- In-state or out-of-state colleges
- Public and private schools
- Vocational Schools
- Technical and trade schools
- International higher education institutions
- Any public, private or religious elementary or secondary school
- Registered apprenticeship programs (Registered and certified with the U.S. Dept. of Labor)
- Repayment of principal/interest on any qualified education loan up to a \$10,000 lifetime limit for the designated beneficiary

Prior to investing in a 529 Plan, investors should consider whether the investor's or designated beneficiary's

home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's qualified tuition program. Withdrawals used for qualified expenses are federally tax free. Tax treatment at the state level may vary. Please consult with your tax advisor before investing.

If you would like more information on a college savings program for your children or grandchildren, please reach out! We can help you plan today for tomorrow's college education expenses!

That's Life

Did you know that September is Life Insurance Awareness month? Life insurance plays a key role in the financial planning process and is a key part of a solid financial plan. You can use life insurance to leave much-needed income to your survivors, provide for your children's education, pay off your mortgage, and simplify the transfer of assets. It can also be used to replace wealth lost due to the expenses and taxes that may follow your death, and to make gifts to charity at relatively little cost to you.

When was the last time you looked at your life insurance policies? How long ago were they purchased? Have there been any changes in your life or financial plans that might affect the amount of insurance coverage you desire? An insurance review can help you make sure your policies fit your current goals and financial plans. You cannot always predict the future, but you can help prepare by planning for the unexpected. Your family's financial future is too important to leave to chance. Call us today for an insurance review!



2022 RMDs

As a reminder, retirement account required minimum distributions have to be taken this year by December 31st! Keep in mind these rules in regards to your RMD:

- You can withdraw more than the required minimum amount
- If you have multiple IRAs, you can aggregate and take all RMDs from one account
- Your withdrawals will be included in your taxable income
- RMDs have to start being taken when you reach age 72
- A charitable donation can be made from your IRA and will satisfy any RMD requirements for the year
- RMD rules apply to the following accounts: Traditional IRAs, SEP IRAs, SIMPLE IRAs, 401(K) plans, 403(B) plans, 457(B) plans, profit sharing plans, and other defined contribution plans

Contributions to a traditional IRA may be tax deductible in the contribution year, with current income tax due

at withdrawal. Withdrawals prior to age 59 1/2 may result in a 10% IRS penalty tax in addition to current income tax.

Do you have additional questions about your RMD? If you haven't already, are you ready to process your distribution? Give us a call! We are happy to help!

National Preparedness Month



Did you know September is National Preparedness Month? Natural disasters don't wait for a convenient time to occur. It is important to plan for the unexpected! Make a plan, build a kit with the necessities you need, and communicate with your loved ones how your plan will be implemented during a time of emergency. You can never be too prepared!

[Click here](#) to see a list of items for your emergency kit!

Women's Friendship Month

September is just full of goodness! It's Women's Friendship Month! I encourage you to remember the special friends in your life. Reach out to those you love - think about fun times shared, and let them know how much you care! Everyone can use an uplifting note, text or phone call right now! Spread some love and positivity!



A true friend accepts who you are, but also helps you become who you should be. -Unknown

Office Hours

We will be closed on Monday, September 5th for the Labor Day Holiday



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Need a speaker for your church, group, or club? Stephanie speaks regularly on a variety of financial topics you will enjoy and find personal applications to benefit you and your colleagues. Call Mandy today to schedule at (803) 749-7012.



Mandy W. Harling
Client Service
Associate

Stephanie Y. Vokral
AIF®, CFP®, CDFIA®

Jessie R. Faircloth
Director of Client
Relations



625 Meadow Street
Columbia, SC. 29205
T: 803.749.7012

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No strategy assures success or protects against loss. Investing involves risk including loss of principal.

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