

ClientLine®

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TRUSTS AND YOUR ESTATE

When it comes to estate planning, many people draft a will to dictate how assets will be distributed after their death. But a trust can offer additional benefits to you and your family.

SKIP PROBATE

When you die with only a will, most likely, your personal representative (executor) will have to apply for probate. This judicial process validates the will, which is then available to the public. But assets placed in a trust generally avoid probate, and your estate information remains private. The distribution of assets is generally faster and simpler, too.

CHOOSE THE RIGHT TRUST

There are many types of trusts, but generally there are two types that work for most people:

1. An irrevocable trust has terms and provisions that cannot be changed by the grantor. Using an irrevocable trust allows you to

minimize estate tax, protect assets from creditors, and provide for family members who are minors, financially irresponsible, or who have special needs.

2. Alternatively, a revocable trust, allows the grantor to change the terms of the trust. For example, you can make an annual exclusion gift to a revocable trust without incurring a gift tax. Additionally, if you need additional funds, assets in a revocable trust can be accessed. Your trustee can make distributions on your behalf, pay bills and even file tax returns for you. Unlike an irrevocable trust, funds in this trust are not protected from lawsuits or creditors.

NAME A TRUSTEE

You will name who you want to manage the assets when you establish the trust. Choosing a professional, as opposed to a family member, can safeguard your loved ones from making decisions without knowing your wishes during difficult times.

GET IT RIGHT

Trusts are complicated. Work with your tax advisor and an estate planning attorney to draft your estate documents properly.



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IRS AUDIT AND YOUR BUSINESS

Receiving notification that the IRS wants to audit your prior-year tax return can be stressful. But knowing what to expect may help settle your nerves.

Types - There are three types of audits: correspondence (by mail), desk (at the IRS office) and field (at your business).

Timing - Generally, the IRS can go back three years to conduct an audit. And how long it takes to complete an audit varies depending on the complexity of the issues, the availability of audit evidence, flexibility of parties to schedule meetings and whether you agree with the auditor's findings.

Finalizing - If you disagree with an auditor's findings, you have the right to appeal or request mediation. Or you can request a meeting with an IRS manager.

CLIENT PROFILE

Danielle wants to begin teaching personal finance to her 12-year-old daughter. What are some topics and resources she can use?



Sadly, personal finance is not taught in all schools, leaving parents the job to educate their children. Starting the money conversation at home will help Danielle's daughter become financially literate. Developing financial skills will help her daughter when the time comes to manage her own finances.

Danielle can begin by talking about financial decisions and explain her own spending habits and how she manages the family budget.

They can implement a hands-on joint project to help her daughter get first-hand experience. For example, Danielle can let her daughter help with grocery budgeting.

And Danielle can help her daughter save her allowance, earnings, or money gifts in a savings account that she can then use for a special purchase.

Client Profile is based on a hypothetical situation. The solutions discussed may or may not be appropriate for you.

QUALIFYING BUSINESS LEADS

Lead qualification is the process of identifying, organizing, and nurturing incoming leads so you can focus your efforts on prospects best suited for the products and services your business offers.

BUILD A SYSTEM

The process of qualifying leads is often referred to as the lead funnel. The goal is to generate many leads and filter them through your qualification process, leaving only those most likely to become customers. That saves your sales team time and effort by pursuing only those prospects that meet specific criteria. Making this effort up front often results in a higher closing rate at a lower cost.

CAPTURE THEM

Before you can start to qualify leads, you must collect and organize them. Many businesses use a combination of incoming leads (website, email, social media, or phone inquiries), lists, and outbound prospecting. Using customer relationship management software enables you to track potential buyers and organize them based on factors such as territory, lead score or industry.

EVALUATE THEM

One way to evaluate the value of a specific lead and whether it is qualified is to conduct a BANT analysis. BANT stands



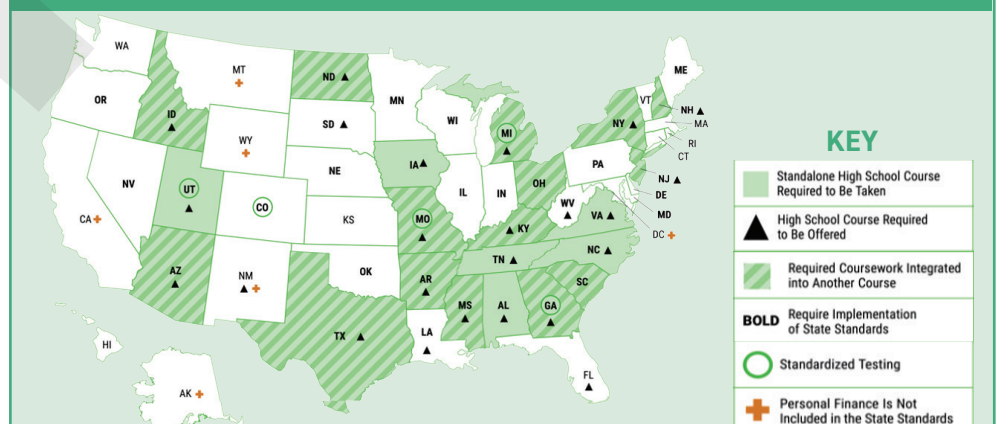
for Budget, Authority, Need, and Timeline. These characteristics are needed for a prospective customer to be considered ready for a salesperson's efforts.

MOVE THEM

Lead nurturing, whether done through an automated campaign or individual follow-up, allows you to educate prospects and create awareness of how you can provide solutions before spending your precious resources on each potential customer, such as assigning them to a particular sales rep.

Leads nurtured to the point that they justify a salesperson's involvement are considered "sales qualified" and are assigned to the appropriate team member to initiate personal contact.

STATUS OF PERSONAL FINANCE EDUCATION ACROSS THE NATION-2020

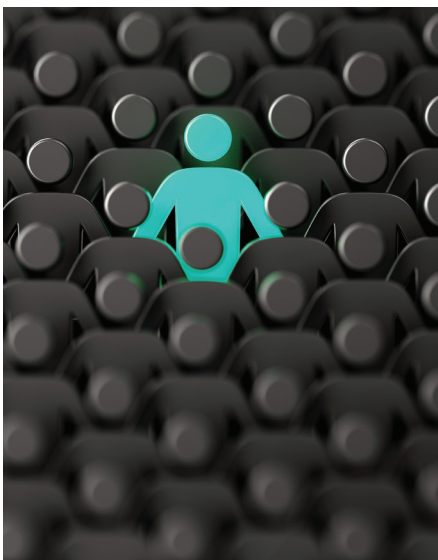


Source: <https://www.councilforeconed.org/wp-content/uploads/2020/02/2020-Survey-of-the-States.pdf>

STAND OUT IN A CROWDED MARKET

These days, consumers expect more than superior product and service offerings that fulfill their needs. Your clients want a positive experience when interacting with your company, its services, and its products.

Your customers' buying experiences is an equally important factor in their purchasing decisions. To succeed, business owners must study customers' expectations and needs. Understanding what they are looking for helps you to focus resources on the ideal buyer rather than trying to appeal to everyone.



OBSESS STRATEGICALLY

Don't become focused on what your competitors are doing. Often, you'll end up distracted and reacting to what they're doing. Instead, obsess over your customers. Identify what makes you unique so you'll excel.

Make your customer your number one priority. Taking a customer-centric approach can inspire brand loyalty. Maybe you can simplify the ordering process or empower your customer service reps to solve problems quickly without seeking management approval.

BEHAVE DIFFERENTLY

If you're in an industry with common stereotypes or expectations, don't be afraid to rock the boat and do something different. Starbucks did this with coffee, which had previously been a commodity. They made ordering and drinking coffee an experience.

Q

What is blockchain technology?

A

Blockchain is a digital ledger that is used to record transactions and track various assets. The information is distributed on a business network and can be accessed only by permissioned users. Unlike regular databases, information in the blockchain format cannot be altered, deleted, or destroyed, making it a trustworthy source of information. Once recorded, the information is irreversible and can be seen by all users. Blockchain is also known as distributed ledger technology (DLT).

Although it's widely used in the cryptocurrency sector, it has many uses, including cross-border payments, contract management, real estate transactions, supply chain management and healthcare.

SURVIVING A BEAR MARKET

When markets take a tumble, it's natural to feel uneasy. But keep these tips in mind to navigate an extended decline.

SLOW DOWN

When markets drop, it can be tempting to jump out until asset values stabilize or start climbing. But this can lead to costly mistakes that lock in permanent capital loss. To optimize your returns, time in the market is critical. Avoid making knee-jerk reactions.

REVISIT GOALS

If you're counting on your assets to meet a short-term goal or plan to retire in the next few years, it might make sense

to dial back the risk in your portfolio. Investors with longer time horizons can usually withstand some market volatility. But if you have immediate or short-term needs, a more conservative asset mix may be needed.

CALL FOR HELP

If you aren't sure what to do, schedule a meeting with your financial professional to review your portfolio and various investment options that may help limit the impact a market downturn could have on your short and long-term goals.



GETTING FIRE'D

FIRE stands for Financial Independence, Retire Early. It's a financial movement growing in popularity as more and more people seek to eliminate debt and build savings so they can retire earlier than usual. Regardless of your target retirement date, this movement focuses on some smart financial strategies:

REDUCE

One of FIRE's focus is on eliminating all debt and reducing expenses. Paying off debt is the first step with a focus on not accumulating new debt. Start by scrutinizing how you spend your money to identify unnecessary expenses.

INCREASE

FIRE followers also look for ways to increase their income. Things like switching jobs for a significant pay increase, working side gigs or generating passive income from owning rental property add money toward the early retirement goal.

INVEST

The last tenement of FIRE involves sound investing strategies. Start by maxing out retirement plan contributions. And if your employer offers a matching contribution, be sure you're saving at least the minimum amount to get the maximum contribution.



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