COVID-19 Financial Relief Fact Sheet

What COVID-19 means for your financial health and how you can keep your finances afloat.

- ☐ **Don't stress about your tax return.** The due date for filing federal income tax returns and making tax payments has been postponed by the IRS from April 15, 2020, to July 15, 2020.
- ☐ **Use the current market volatility to take advantage of opportunities, such as rebalancing and reallocating cash to lower priced equities.**
- ☐ **Think of refinancing your mortgage if it's the right call for you while interest rates are low.**
- ☐ **Take advantage of the Stimulus bill:**
  - ☐ If you're in serious need of cash, you have the option of borrowing up to 100k from your IRA and repay it any time within 3 years with no federal income tax consequences.
  - ☐ Make sure your direct deposit is set up to receive your $1,200 stimulus payment.
  - ☐ If you're unemployed, claim your additional 13 weeks of payments and the $600 surplus payments.
  - ☐ If you have student loans, double check that your payments have been suspended.
  - ☐ There is no need to take a required minimum distribution from any individual retirement accounts or workplace retirement savings plans, like a 401(k). However, you can still continue to take your RMD if you wish.
  - ☐ You can still borrow from your 401(k) or other workplace retirement plan, and you can take out twice the usual amount. For 180 days after the bill passes, with certification that you've been affected by the pandemic, you'll be able to take out a loan of up to $100,000. Usually you can't take out more than half your balance, but that rule is suspended. If you already have a loan and were supposed to finish repaying it before Dec. 31, you get an extra year.

- ☐ Deduct up to $300 in annual charitable contributions. Donors can deduct 100 percent of their gift against their 2020 adjusted gross income.

- ☐ **Check in on your health care plans and think about your options in retirement through Medicare.**

- ☐ **This is a good time to review estate plans and the advantage of trusts, TOD accounts, Medical Directives, etc.**

- ☐ **Now is the time to review your risk tolerance and financial goals to re-affirm that your long-term plan matches your portfolio composition.**

- ☐ **For people contributing to 401k plans, IRAs and investment accounts, we're recommending that they don't reduce their contributions but rather increase or maximize their contributions to take advantage of the lower priced market.** Anyone who can comfortably reduce or postpone withdrawals should do so. If you would like us to review your current holdings, allocations or contributions and withdrawals, please contact us. Even if Capital Growth does not manage your account, we are happy to review and advise as everyone's situation is different.

- ☐ **We are encouraging people to maximize their benefits, like Social Security, to provide more long-term protection and longevity during uncertain times.** Anyone approaching retirement or age 65 should begin looking at how to best pair Social Security and Medicare benefits. We have qualified advisors to assist you with your Social Security and Medicare questions.

- ☐ **Consider converting all or a partial amount of your IRA to a Roth IRA to take advantage of the lower prices and lower tax burden available through this technique.** This technique is called a "Roth Conversion". Consult your advisor to see if it's a good time to do some tax loss harvesting to offset any taxable gains through the end of the year.