



Welcome to 2025

MICHAEL CUDLIPP AIF®, President

MARIAH CUDLIPP-GANT, Registered Representative

Happy New Year and welcome to 2025!

We hope you and your family had an enjoyable holiday season. We are excited to see what the new year will bring.

The year 2024 was filled with many significant events, but overall, it proved to be a good year for investors. Both interest and inflation rates started to fall, and while recession worries persisted, investors still enjoyed strong positive returns as major indexes reached multiple new highs. Notably, the year ended on a high note in December as the Federal Reserve decided to reduce interest rates for the third consecutive time. They also indicated that further interest rate cuts could occur in 2025. While equities have advanced, 2025 brings a new administration, and historically, changes can make for an interesting year.



In 2025, our clients will continue to enjoy the following services:

- Client review meetings.
- Quarterly economic updates.
- Tax reports to keep them updated on proactive tax-saving opportunities and changes.
- Regularly scheduled information on timely and important topics.
- Consistent and meaningful articles on topics that directly affect them.

Does your current financial professional offer these services to you?

The new year will bring changes to monetary policy, including changes in tax laws that could affect your investment plan. Would you like us to take a second look at your financial situation?

Please call us at 585-383-6555 for a complimentary financial check-up today!

We enter 2025 with a service goal of exceeding our client's expectations and providing them with first-class service. We take pride in providing holistic service and our ability to fully understand and effectively respond to our client's needs.

We are thankful for the opportunity to work with them and want to extend the same service to you this new year. Please take the time to review the **2025 Checklist** and call us if you'd like to take advantage of a complimentary financial check-up. We believe a proactive approach that anticipates the needs of our clients is optimal.

Looking Ahead to 2025

While there are many aspects to overall financial planning, the following are some specific topics we will continue to watch carefully as we head into the new year.

- **Interest Rates:** Interest rate movements continue to be critical for investors. In 2024, the Federal Reserve began reducing interest rates with a long-term outlook of further reductions. For 2025, we will be watchful of interest rate movements and their effect on the economy and equity markets.
- **Inflation:** Inflationary concerns are important for investors. We saw a significant overall slowdown in inflation during 2024. However, there is still more to be done to reach the Fed's 2% target range. We will continue to monitor inflation numbers as the 2025 data becomes available.
- **Stock Market Valuations:** Valuations are key predictors of equity returns. While we do not attempt to predict short-term valuations, we will continue to help you identify your risk tolerance and time horizons. We also understand that market volatility will continue to be a normal part of the investment experience, and we can help you use non-emotional behavior when making financial decisions.
- **Our Clients' Personal Situations:** **First and foremost, our client's personal situations are always our highest priority.** We are here to help them with any financial moves or concerns throughout the year. We understand that each individual and household has different goals and needs. We will continue our tradition of keeping our clients informed of any changes that we think may affect their personal situation.

We enter 2025 cautiously optimistic. Having a solid foundation and strategy is critical to the outcome of your financial plans. Revisiting your plan to keep it current is a sound practice we feel should be conducted on a consistent basis. Our mission is to provide our clients with guidance and support on their journey toward their financial goals.

2025 Tax Law Potential Scenarios

In 2025, there will be much discussion about tax law changes. Currently, the tax rules are automatically scheduled to sunset and change for 2026. Here are three potential scenarios we could see this year.

Extending the 2017 Tax Laws

The current tax cuts are set to expire after 2025. Lower rates, larger standard deductions, and lower business taxes could prove to be hard to justify fiscally. **Therefore, lawmakers could simply extend the current tax code for a few more years.**

Tweaking the 2017 Tax Laws

During the presidential campaign, there was discussion about no tax on tips, possibly not taxing overtime, and revisiting State and Local Tax deduction amounts. **Lawmakers could possibly extend the 2017 laws with some modifications.**

A Complete Tax Law Overhaul

Although it's not likely, there is always the possibility that Congress revisits our entire tax system and makes fundamental changes to the existing system.

Help us identify items that you would like addressed in the coming year!

After reviewing this list, please call our office if you would like to discuss any items you have checked off. This will help us advise you in the most effective and proactive manner.

- ☐ Do you anticipate changes to your investment goals?
- ☐ Has your risk tolerance changed?
- ☐ Have your 2025 income or savings needs changed?
- ☐ Do you plan to retire or change jobs?
- ☐ Will there be a change in your marital status?
- ☐ Do you plan to move, refinance, or sell/transfer a major asset such as a home or business?
- ☐ Did you recently receive or anticipate receiving a gift or inheritance?
- ☐ Will you have any changes in your income needs +/- (i.e., vacation, assisted living needs, selling home, child/grandchild assistance)?
- ☐ Do you expect any additional family members or dependents?
- ☐ Do you anticipate any additional dependents such as an elderly parent or other family member? Will they require assisted living?
- ☐ Do you have a child/grandchild you will be assisting with their educational cost needs through a 529 plan?
- ☐ Do you anticipate any major transfer of wealth?
- ☐ Do you plan on gifting to heirs or donating money to charity?
- ☐ Do you need to adjust your estate plan?
- ☐ Do you maximize your ability to use retirement plans?
- ☐ Do you want to explore converting a traditional IRA to a Roth IRA?
- ☐ Do you or a dependent family member have a severe illness?
- ☐ Do you anticipate any life, financial, or employment (retiring) changes that may require you to adjust your life and health insurance policies?
- ☐ Did you contribute to an IRA? If not, would you like to discuss contributing to an IRA before April's tax deadline?
- ☐ Is there anything else we should know to help you plan for 2025?

Important Birthdays

- ➡ **50** Allows for catch-up contributions to IRAs and qualified retirement plans
- ➡ **55** If you are retired, allows you to take distributions from your 401(k) without the 10% penalty
- ➡ **59½** Allows you to take distributions from an IRA, annuity, or other retirement plan without penalty
- ➡ **60** Allows for start of widow/widower benefits from Social Security
- ➡ **61-63** New extra catch-up contribution for retirement plans
- ➡ **62** Allows for starting early Social Security benefits
- ➡ **65** Allows for enrollment in Medicare and government drug plan
- ➡ **66-67** Allows for full retirement benefits from Social Security
- ➡ **70** Start date for enhanced Social Security benefits if you deferred claiming benefits previously
- ➡ **70½** Allowed to make a Qualified Charitable Distribution (QCD) directly from an IRA
- ➡ **73** Mandatory required minimum distribution from retirement accounts must be taken no later than April 1st of the year after the year you turn 73

If you have an important birthday in 2025, please let us know!

We are accepting new clients in 2025!

Do you feel your advisor is fully aware of your financial situation? ☐ Yes ☐ No ☐ Not Sure

Are you satisfied with how your advisor is keeping you updated? ☐ Yes ☐ No ☐ Not Sure

Has your advisor reviewed your tax forms to understand how to coordinate your investments with your taxes? ☐ Yes ☐ No ☐ Not Sure

Has your advisor discussed tax planning strategies that could help you keep more of what you make? ☐ Yes ☐ No ☐ Not Sure

Is your advisor updated and current on tax planning strategies? ☐ Yes ☐ No ☐ Not Sure

Would you like a complimentary review of your financial situation? ☐ Yes ☐ No ☐ Not Sure

If you answered **No** or **Not Sure** to any of these questions, we would like to offer you a **complimentary, one-hour, private consultation** with one of our professionals at absolutely no cost or obligation to you.

To schedule your complimentary financial check-up, please call us at **(585) 383-6555**.

Securities and investment advisory services offered through **Osaic Wealth, Inc.** member FINRA/SIPC. **Osaic Wealth** is separately owned and other entities and/or marketing names, products or services referenced here are independent of **Osaic Wealth**.

The views expressed are not necessarily the opinion of **Osaic Wealth, Inc.** and should not be construed, directly or indirectly, as an offer to buy or sell securities mentioned herein. All indexes are unmanaged and cannot be invested into directly. Unmanaged index returns do not reflect fees, expenses, or sales charges. Index performance is not indicative of the performance of any investment. This article is for informational purposes only. Economic forecasts set forth may not develop as predicted and there can be no guarantee that strategies promoted will be successful. This information is not intended to be a substitute for specific individualized tax, legal or investment planning advice as individual situations will vary. For specific advice about your situation, please consult with a lawyer or financial professional. Past performance is no guarantee of future results. This article provided by The Academy of Preferred Financial Advisors, Inc. © 2025