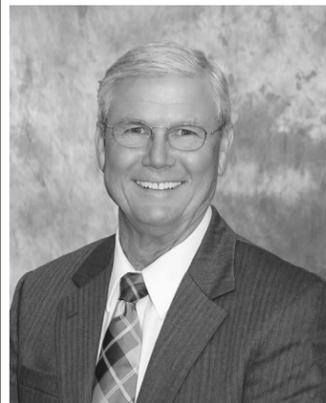




**HOLMES
&
GRIFFETH**

FINANCIAL PLANNERS

JULY 1, 2020



THE NEST EGG

PROTECTING, PRESERVING AND BUILDING OUR CLIENTS' ASSETS

YOUR IRA AND YOUR LEGACY

*Individual retirement accounts can play a valuable role
in the estate planning process*

Individual retirement accounts (IRA) are a cornerstone of many people's retirement savings strategy, and for good reason: The ability to contribute pre-tax income—and to defer taxes until you start making withdrawals—means your savings can potentially grow more quickly than they could in a taxable account.

But there's more to IRAs than tax advantages for retirement savings. In fact, IRAs can play a valuable role in estate planning, offering powerful tax benefits to both you and your heirs as you pass your wealth to the next generations.

Here are some tips and strategies to consider before incorporating an IRA into your estate planning process.

Name your beneficiaries

The first step to incorporating an IRA into your estate plan is deciding who you want to name as beneficiaries of your account. You can designate anyone you want, including people, institutions, charities, your estate or a trust. But consider this decision carefully as IRA beneficiary designations are likely to supersede your will.

If you don't correctly name a beneficiary, your IRA money may pass to an heir who is not of your choosing. Certain beneficiary designations may also subject heirs to unnecessary estate or income taxes, or even leave the account vulnerable to creditors.

Your financial advisor can help you avoid such outcomes and make beneficiary designations that accurately reflect your final wishes.

**Our FREE
SHRED EVENT
is coming up!
Sort now & drop off
on JULY 17TH!**

(continued from page 1)

Look beyond the “stretch” strategy

New regulations about inherited retirement accounts have eliminated the once-popular “stretch” provision for IRAs. This strategy let non-spousal beneficiaries to take distributions over their lifetimes, allowing assets continue to grow tax deferred. The SECURE Act passed in 2019 generally requires non-spouse beneficiaries to withdraw all of the IRA’s assets within 10 years.

While this stretch strategy no longer exists, IRAs can still offer appeal as estate planning tools by allowing inherited assets to continue growing tax-deferred. However, since your beneficiaries’ distributions will be taxed as income, the 10-year distribution window may put a heavy tax burden on your heirs. If that’s a concern, another option is to convert your traditional IRA to a Roth IRA, which would put the tax burden on you but would enable your heirs to take tax-free distributions.

Get charitable

Naming a charitable organization as your IRA’s beneficiary may be an effective way to lower your estate tax bill. When IRAs are passed to heirs, they may be subject to estate and income taxes. However, IRA assets left to tax-exempt charities qualify for the federal estate tax charitable deduction, which can reduce the amount of taxes your estate owes.

You could also name a charitable remainder trust as the beneficiary of your IRA. That trust can be set up to deliver payouts to your heirs for a designated period of time; at the end of that period, the remain-

ing assets are distributed to a qualified charitable organization. Because payouts can be made over long periods of time—in many cases, several decades—this strategy can provide the long-term tax deferral benefits similar to those offered by the by-gone stretch IRA.

Review regularly

As your life circumstances evolve you’ll likely need to adjust your IRA estate planning strategy and update or change your beneficiary designations. Take time to review your designations regularly—for example, as part of an annual financial check-in with your advisor—and make adjustments as needed.

Estate planning strategies can be complex. As you work to create an estate plan that aligns with your long-term goals and the financial legacy you hope to leave, work closely with a trusted advisor to explore the various options. With their help, you’ll be more likely to build a plan that meets your needs now and for generations into the future.



As you are aware, the financial industry is constantly changing, updating policies and implementing new regulations. As part of their newest regulations, **you will be receiving a new form titled “Customer Relationship Summary” from our broker dealer, First Heartland Capital, in July.** The information on the form is for your review and no signature is needed.

JIM'S BEEN BUSY MAKING PIES THIS PAST
SPRING—HERE'S A FAVORITE:

COCONUT CREAM PIE

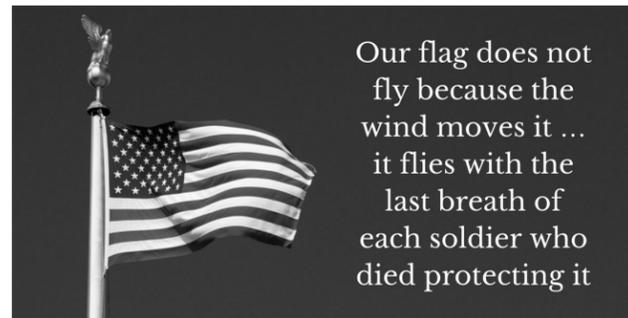
1 ½ cups half-and-half	1 teaspoon vanilla extract
1 ½ cups coconut milk	1 (9 inch) baked pie crust
2 eggs, beaten	3 egg whites
¾ cup white sugar	¼ teaspoon cream of tartar
½ cup cornstarch	6 tablespoons white sugar
¼ teaspoon salt	½ cup flaked coconut
¾ cup flaked coconut	

Preheat oven to 350 degrees F

Stir half-and-half, coconut milk, eggs, ¾ cup sugar, cornstarch, and salt together in a saucepan; stirring constantly, slowly bring to a boil over low heat and cook until thick, about 30 minutes. Remove saucepan from heat; fold ¾ cup coconut into the mixture with the vanilla extract. Pour the coconut mixture into the baked pie crust.

Beat egg whites in a glass or metal bowl until foamy. Gradually add cream of tartar and 6 tablespoons white sugar, continuing to beat until soft peaks form. Lift your beater or whisk straight up: the egg whites will form soft mounds rather than a sharp peak. Spread egg white mixture over the pie. Sprinkle ½ cup coconut over the pie.

Bake in preheated oven until the top is golden brown, 12 to 15 minutes. Move to a wire rack to cool until completely cooled to the touch, about 1 hour. Refrigerate at least 3 hours before serving.



What stays in one corner, but goes all over the US?

a stamp

Where was the Declaration of Independence Signed?

at the bottom

What did the flag say to the pole?

* nothing. It just waved. *



- The origin of the first American flag is unknown. Some historians believe it was designed by New Jersey Congressman Francis Hopkinson and sewn by Philadelphia seamstress Betsy Ross.
- The name *Old Glory* was given to a large, 10-by-17-foot flag by its owner, William Driver, a sea captain from Massachusetts. Inspiring the common nickname for all American flags, Driver's flag is said to have survived multiple attempts to deface it during the Civil War. Driver was able to fly the flag over the Tennessee Statehouse once the war ended. The flag is a primary artifact at the National Museum of American History and was last displayed in Tennessee by permission of the Smithsonian at an exhibition in 2006.
- Today the flag consists of 13 horizontal stripes, seven red alternating with six white. The stripes represent the original 13 Colonies and the stars represent the 50 states of the Union.
- The colors of the flag are symbolic as well; red symbolizes hardiness and valor, white symbolizes purity and innocence, and blue represents vigilance, perseverance and justice.
- The National Museum of American History has undertaken a long-term preservation project of the enormous 1814 garrison flag that survived the 25-hour shelling of Fort McHenry in Baltimore by British troops and inspired Francis Scott Key to compose "The Star-Spangled Banner." Often referred to by that name, the flag had become soiled and weakened over time and was removed from the museum in December 1998. This preservation effort began in earnest in June 1999, and continues to this day. The flag is now stored at a 10-degree angle in a special low-oxygen, filtered light chamber and is periodically examined at a microscopic level to detect signs of decay or damage within its individual fibers.

<https://www.pbs.org/a-capitol-fourth/history/old-glory/>



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INTRODUCTIONS ARE ALWAYS APPRECIATED!

Visit us on the web at:

www.holmes-griffeth.com

SAVE THE DATE!

(DETAILS COMING YOUR WAY SOON!)

<p>RESCHEDULED: <u>July 17, 2020</u> SHRED EVENT (date dependent on current COVID19 guidelines) Holmes & Griffeth Office 8AM-2:30PM</p> 	<p><u>September 14, 2020</u> ANNUAL GOLF EVENT Millwood</p> 	<p><u>November 2-19, 2020</u> ANNUAL FOOD DRIVE Holmes & Griffeth Office Regular Business Hours</p>  <p>OZARKS FOOD HARVEST THE FOOD BANK</p>
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