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Spring 2020 Newsletter

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SAVE THE DATE!

Shred Event - September 25

Charitable Giving Presentation - November 12



**ullmann
wealth partners**

OUR DISCIPLINE. YOUR FREEDOM.™

President's Letter

Dear Friends,

Each January 1st since graduating from the Air Force Academy, I have written down my goals for the year...personal, professional, relationships and health. It is a practice that Lisa and I have shared since we met in 2009.

Although my goals for 2020 haven't changed, my vision of what the year would look like certainly has and I suspect that is true for all of us. But being alive is all about adaptation. If I had to name 2020, it would be called the "Year of Adaptation".

I am proud of both our team and you, our clients. When we closed the office as a result of government directives, our team was able to communicate with each other and with you via cell phone and video conference. We communicated internally via Microsoft Teams and externally through secure internet and applications. We monitored each of your accounts for opportunities to rebalance and mitigate current and future taxes by tax loss harvesting.

Many of you have either called or emailed to ask how we were doing. With almost no exception, you have allowed us to continue to implement your plan—to keep you on track towards the future. You have engaged with us, asked questions, and allowed us to continue to move your plan forward.

We sent out a series of email communications since the end of February which we hope balanced the frenzy you might have been feeling with the broader view needed to sail through the turmoil. (If the reference to these emails does not sound familiar, please tell us as the material may be going to your junk mail.) We have also pushed content out to our website and to our Facebook and LinkedIn pages.

This summer please be on the lookout for a short survey from us. We want to know what we can do better to serve you. We always want to improve and would especially like to hear from you during this "Year of Adaptation".



Sincerely,

A handwritten signature in black ink that reads "Glenn Ullmann". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Glenn Ullmann

Wealth Advisors' Corner

CARES Act and Retirement Accounts

As you know, the Coronavirus Aid Relief and Economic Security (CARES) Act was signed into law on March 27, 2020 and includes provisions that are intended to provide relief for the economic downturn caused by COVID-19. The following are some of the provisions that we believe are most likely to impact your retirement savings accounts.



10% Early Withdrawal Penalty Waived for Use of Retirement Funds

The CARES Act waives the 10% penalty for withdrawing and accessing retirement funds before age 59½ for distributions of up to \$100,000 for COVID-19 related purposes retroactive to January 1, 2020. While the withdraws will still be taxed, any tax will be spread over three years, or the taxpayer may return the early withdrawn money within the three-year period to avoid paying tax.

Loans from 401(k) Plans

Participants in 401(k) plans who qualify for COVID-19 relief may now borrow \$100,000 from their plan. Before the CARES Act, \$50,000 was the limit a participant could borrow from their plan.

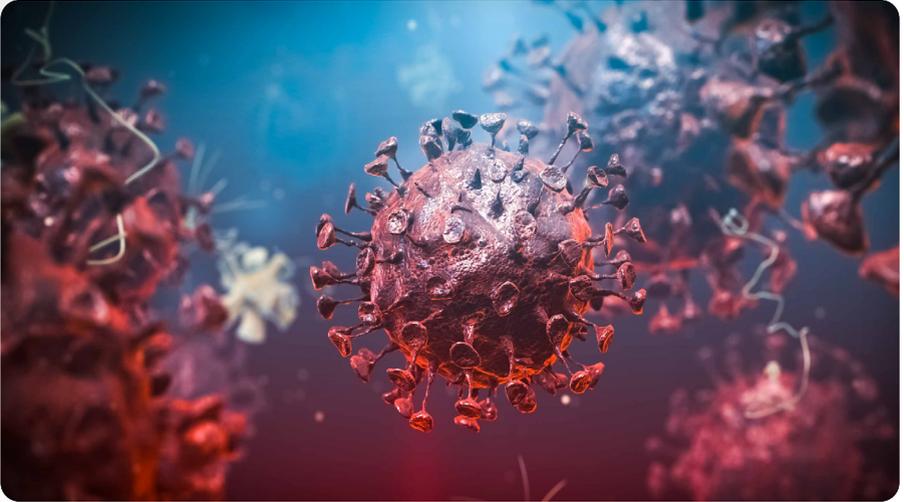
Suspension of Required Minimum Distributions (RMDs) from Retirement Accounts

The CARES Act suspends all RMDs that would normally be required for 2020. This suspension also applies to your initial RMD if you turned 70½ last year and did not take that initial RMD last year. (The initial RMD is actually for calendar year 2019.) Before the CARES Act, the deadline for taking that initial RMD was April 1, 2020. Now, thanks to the CARES Act, you can put off all RMDs that you would have otherwise had to take this year. Note: RMDs do not apply to Roth IRA owners.

The More You Know

Social Distance Yourself from COVID-19 Scams

These are challenging times for millions of people and unfortunately, criminals are taking advantage of that. Knowing about possible scams is a good first step toward preventing them. Here are some precautions to take that will help keep you and your finances safe:



- Be aware that any communication that says Social Security Administration (SSA) will increase, suspend or decrease your benefits due to COVID-19 is a scam. The SSA will never ask for your Social Security number, bank account information, or any other personal information over the phone, by text, or via email. They will also never ask for payment in the form of a wire transfer, gift card, or prepaid debit card.
- Be careful about any charity calling you asking for donations. Warning signs include rushing you into donating, or asking for the donation in cash, by gift card or by wiring money. Also, be wary if you get a call following up on a donation pledge that you do not recall making.
- Hang up on robocalls, and do not press any numbers. Scammers are using illegal robocalls to pitch fraudulent COVID-19 treatments and work-at-home schemes. Press a number to be removed from a list and you will likely get more calls.
- Ignore online offers for vaccinations and unproven home test kits. According to the FDA, there are no approved vaccines, drugs, or other product currently available to treat or prevent COVID-19.
- Beware of fraudsters impersonating a doctor or healthcare professional. They might tell you that a friend or loved one is being treated for COVID-19, and that you need to submit payment to help pay their hospital bill.
- Disregard texts and emails about cash from the government. Stimulus checks are in the mail or have been sent directly to your bank account. Per the FTC, anyone who tells you they can get the money to you now or get more money for you in the future is a scammer.
- Be leery of emails that claim to be from Centers for Disease Control and Prevention (CDC) or experts that claim they have information about the virus. For the most up-to-date information about coronavirus, visit the websites of the CDC or the World Health Organization (WHO).
- On the same note, malware and phishing scams are on the uptick. Legitimate companies will never ask you to verify passwords or usernames via an email. Fraudsters will.
- Do you see misspelled words or grammatical mistakes? That is a sure sign that the official-looking email originated from a suspicious source.

Whenever there is a natural disaster, there are always people who prey on those affected by it. By being aware of some of the latest coronavirus scams, you can protect yourself and your money.

Ask a Wealth Manager

What is Tax Loss Harvesting and How Does it work?



Tax-loss harvesting offers a silver lining during steep market downturns because it allows us to turn tax losses into tax savings!

In nonretirement accounts, we are able to take tax losses on equity positions that have temporarily declined in value. We do this by selling the losing position and replacing it with one that is highly correlated to the original investment at a better price.

The recognized loss can now be used to offset gains in the portfolio or to reduce taxable income by up to \$3,000 per year. This keeps your allocation consistent, the loss will offset future gains and carries forward forever.

While tax-loss harvesting cannot erase the sting of selling at a loss, we help clients benefit, as said above, by converting these tax losses into tax savings. Should you have any questions regarding this, our team is available to discuss this in more detail at any time.

Ullmann Wealth Updates



One of our firm's core values is to positively impact our community. During the COVID-19 pandemic, we believe putting these words into action is as important as ever. Our firm and/or team members have recently donated, via financial support or volunteer hours to:

- **Baptist Health Foundation's Team Member Care Fund**
- **Baptist Health Foundation's Health Heroes Fund**
- **BEAM**
- **First responders in the New York metropolitan area**
- **First Coast Relief Fund**

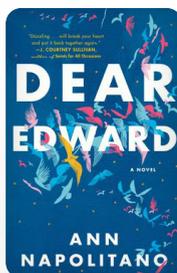
Are you getting our Email communications?

If you are not receiving our monthly FLASH Reports, or intermittent COVID-19 updates, please check your spam or junk folder and whitelist the email addresses of fpeters@ullmannwealthpartners.com and info@ullmannwealthpartners.com. Whitelisting an email address ensures that emails sent from a specific address reaches your Inbox, instead of being marked as spam. If you need assistance with this, please contact Francie Peters in our office.

Remember to follow us on social media and check the blog on our website to stay informed of all the latest Ullmann Wealth Partners' news!



Brian James, Director of Investments, recently joined the board of directors of the Literacy Alliance of NE Florida, a volunteer based program that works to improve adult literacy in the Jacksonville area.



Book Recommendation:

Dear Edward
by Ann Napolitano

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