

Regent Financial Services

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Then and Now

In 2003, the U.S. was emerging from the dot-com recession, unemployment rates were peaking during a jobless recovery, and online shopping was becoming more popular. Twenty years have passed, and here's how some things have changed — one pandemic and two recessions later.

	 Average mortgage rate (30-year fixed) ¹	 Unemployment rate ²	 E-commerce sales (percent of total retail) ³	 Personal saving rate (percent of disposable income) ⁴	 Average credit card interest rate ⁵
2003	6.32%	6.1%	1.7%	6.1%	12.89%
2023	7.18%	3.8%	15.4%	3.5%	22.16%

Sources: 1) Freddie Mac, 2023 (August); 2) U.S. Bureau of Labor Statistics, 2023 (August); 3) U.S. Census Bureau, 2023 (Q2); 4) U.S. Bureau of Economic Analysis, 2023 (July); 5) Federal Reserve Board, 2023 (Q2)

Much Ado About RMDs

The SECURE 2.0 Act, passed in late 2022, included numerous provisions affecting retirement savings plans, including some that impact required minimum distributions (RMDs). Here is a summary of several important changes, as well as a quick primer on how to calculate RMDs.

What Are RMDs?

Retirement savings accounts are a great way to grow your nest egg while deferring taxes. However, Uncle Sam generally won't let you avoid taxes indefinitely. RMDs are amounts that the federal government requires you to withdraw annually from most retirement accounts after you reach a certain age. Currently, RMDs are required from traditional IRAs, SEP and SIMPLE IRAs, and work-based plans such as 401(k), 403(b), and 457(b) accounts.

If you're still working when you reach RMD age, you may be able to delay RMDs from your current employer's plan until after you retire (as long as you don't own more than 5% of the company); however, you must still take RMDs from other applicable accounts.

While you can always withdraw more than the required minimum, if you withdraw less, you'll be subject to a federal penalty.

Four Key Changes

1. Perhaps the most notable change resulting from the SECURE 2.0 Act is the age at which RMDs must begin. Prior to 2020, the RMD age was 70½. After passage of the first SECURE Act in 2019, the age rose to 72 for those reaching age 70½ after December 31, 2019. Beginning in 2023, SECURE 2.0 raised the age to 73 for those reaching age 72 after December 31, 2022, and, in 2033, to 75 for those who reach age 73 after December 31, 2032.

When Must RMDs Begin?

Date of Birth	RMD Age
Before July 1, 1949	70½
July 1, 1949, through 1950	72
1951 through 1959	73
1960 or later	75

2. A second important change is the penalty for taking less than the total RMD amount in any given year. Prior to passage of SECURE 2.0, the penalty was 50% of the difference between the amount that should have been distributed and the amount actually withdrawn. The tax is now 25% of the difference and may be

reduced further to 10% if the mistake is corrected in a timely manner (as defined by the IRS).

3. A primary benefit of Roth IRAs is that account owners (and typically their spouses) are not required to take RMDs from those accounts during their lifetimes, which can enhance estate-planning strategies. A provision in SECURE 2.0 brings work-based Roth accounts in line with Roth IRAs. Beginning in 2024, employer-sponsored Roth 401(k) accounts will no longer be subject to RMDs during the original account owner's lifetime. (Beneficiaries, however, must generally take RMDs after inheriting accounts.)

4. Similarly, a provision in SECURE 2.0 ensures that surviving spouses who are sole beneficiaries of a work-based account are treated the same as their IRA counterparts beginning in 2024. Specifically, surviving spouses who are sole beneficiaries and inherit a work-based account will be able to treat the account as their own. Spouses will then be able to use the favorable uniform lifetime table, rather than the single life table, to calculate RMDs. Spouses will also be able to delay taking distributions until they reach their RMD age or until the account owner would have reached RMD age.

How to Calculate RMDs

RMDs are calculated by dividing your account balance by a life expectancy factor specified in IRS tables (see IRS Publication 590-B). Generally, you would use the account balance as of the previous December 31 to determine the current year's RMD.

For example, say you reach age 73 in 2024 and have \$300,000 in a traditional IRA on December 31, 2023. Using the IRS's Uniform Lifetime Table, your RMD for 2024 would be \$11,321 (\$300,000 ÷ 26.5).

The IRS allows you to delay your first RMD until April 1 of the year following the year in which it is required. So in the above example, you would be able to delay the \$11,321 distribution until as late as April 1, 2025. However, you will not be allowed to delay your second RMD beyond December 31 of that same year — which means you would have to take two RMDs in 2025. This could have significant implications for your income tax obligation, so beware.

An RMD is calculated separately for each IRA you have; however, you can withdraw the total from any one or more IRAs. Similar rules apply to 403(b) accounts. With other work-based plans, an RMD is calculated for and paid from each plan separately.

For more information about RMDs, contact your tax or financial professional. There is no assurance that working with a financial professional will improve investment results.

SAVE THE DATE

17TH ANNUAL FAMILY CHRISTMAS MOVIE

DATE

Saturday, December 2nd

SHOWTIME

9:00 am



THEATRE

Regal-Warren Broken Arrow 18
1700 W Aspen Creek Dr
Broken Arrow, OK 74011

RSVP before Friday, November 24th

call (918) 493-4190

of Adults & # of Kids

Please bring your kids & grandchildren to enjoy
popcorn, donuts, drinks & lots of memories on us!

Let's give back to our community!

*We will be collecting canned food to donate to the
Community Food Bank of Eastern Oklahoma!*

The History of Daylight Saving Time

Why did Daylight Saving Time Start?



By: www.almanac.com

Should we blame Ben?

Benjamin Franklin's "An Economical Project," written in 1784, is the earliest known proposal to "save" daylight. It was whimsical in tone, advocating laws to compel citizens to rise at the crack of dawn to save the expense of candlelight.

DST's True Founder

The first true proponent of Daylight Saving Time (DST) was an Englishman named William Willet. A London builder, he conceived the idea while riding his horse early one morning in 1907. He noticed that the shutters of houses were tightly closed even though the Sun had risen. In "The Waste of Daylight," the manifesto of his personal light-saving campaign, Willet wrote, "Everyone appreciates the long, light evenings. Everyone laments their shrinkage as the days grow shorter; and nearly everyone has given utterance to a regret that the nearly clear, bright light of an early morning during Spring and Summer months is so seldom seen or used.... That so many as 210 hours of daylight are, to all intents and purposes, wasted every year is a defect in our civilization. Let England recognise and remedy it."

Willet spent a small fortune lobbying businessmen, members of Parliament, and the U.S. Congress to put clocks ahead 20 minutes on each of the four Sundays in April, and reverse the process on consecutive Sundays in September. But this proposal was met mostly with ridicule. One community opposed it on moral grounds, calling the practice the sin of "lying" about true time.

World War I Led to Adoption of DST

Attitudes changed after World War I broke out. The government and citizenry recognized the need to conserve coal used for heating homes. The Germans were the first to officially adopt the light-extending system in 1915, as a fuel-saving measure during World War I. This led to the introduction in 1916 of British Summer Time: From May 21 to October 1, clocks in Britain were put an hour ahead.

The United States followed in 1918, when Congress passed the Standard Time Act, which established the time zones. However, this was amidst great public opposition. A U.S. government Congressional Committee was formed to investigate the benefits of Daylight Saving Time. Many Americans viewed the practice as an absurd attempt to make late sleepers get up early. Others thought that it was unnatural to follow "clock time" instead of "Sun time." A columnist in the *Saturday Evening Post* offered this alternative: "Why not 'save summer' by having June begin at the end of February?"

The matter took on new meaning in April 1917, when President Woodrow Wilson declared war. Suddenly, energy conservation

was of paramount importance, and several efforts were launched to enlist public support of changing the clocks.

A group called the National Daylight Saving Convention distributed postcards showing Uncle Sam holding a garden hoe and rifle, turning back the hands of a huge pocket watch. Voters were asked to sign and mail to their congressman postcards that declared, "If I have more daylight, I can work longer for my country. We need every hour of light." Manhattan's borough president testified to Congress that the extra hour of light would be a boon to home gardening, and therefore increase the Allies' food supply. Posters chided, "Uncle Sam, your enemies have been up and are at work in the extra hour of daylight-when will YOU wake up?"

With public opinion in its favor, Congress officially declared that all clocks would be moved ahead one hour at 2:00 A.M. on March 31, 1918. (Canada adopted a similar policy later the same year.) Americans were encouraged to turn off their lights and go to bed earlier than they normally did-at around 8:00 P.M.

Farmers Did NOT Favor DST

Many Americans wrongly point to farmers as the driving force behind Daylight Saving Time. In fact, farmers were its strongest opponents and, as a group, stubbornly resisted the change from the beginning.

When the war was over, the farmers and working-class people who had held their tongues began to speak out. They demanded an end to DST, claiming that it benefited only office workers and the leisure class. The controversy put a spotlight on the growing gap between rural and urban dwellers. As a writer for the *Literary Digest* put it, "The farmer objects to doing his early chores in the dark merely so that his city brother, who is sound asleep at the time, may enjoy a daylight motor ride at eight in the evening."

The DST experiment lasted only until 1920, when the law was repealed due to opposition from dairy farmers (cows don't pay attention to clocks). No fewer than 28 bills to repeal DST had been introduced to Congress, and the law was removed from the books. Americans had tolerated DST for about seven months.

DST Returns

The subject did not come up again until after the attack on Pearl Harbor, on December 7, 1941, and the United States was once again at war. During World War II, DST was imposed once again (this time year-round) to save fuel. Clocks were set one hour ahead to save energy. After the war (which concluded with Japan's final surrender on September 2, 1945), DST started being used on and off in different states, beginning and ending on days of their choosing.

Local Differences and Inconsistency

Inconsistent adherence to time zones among the states created considerable confusion with interstate bus and train service. To remedy the situation, Congress passed the Uniform Time Act in 1966, establishing consistent use of DST within the United States: Clocks were to be set ahead one hour on the last Sunday in April and one hour back on the last Sunday in October.

That was the rule, but some state legislatures took exception via a loophole that had been built into the law. Residents of Hawaii and most of Arizona did not change their clocks. Residents of Indiana, which straddles the Eastern and Central time zones, were sharply divided on DST: Some counties employed it, some did not.

In 1986, the U.S. Congress approved a bill to increase the period of DST, moving the start to the first Sunday in April. The goal was to conserve oil used for generating electricity-an estimated 300,000 barrels annually. (In 2005, the entire state of Indiana became the 48th state to observe DST.)

Daylight Saving Time Today

The current daylight saving period was established with the Energy Policy Act of 2005, which went into effect in 2007.

Continued on next page

The History of Daylight Saving Time

Why did Daylight Saving Time Start?

Continued:

Today, most Americans spring forward (turn clock ahead and lose an hour) on the second Sunday in March (at 2:00 A.M.) and fall back (turn clocks back and gain an hour) on the first Sunday in November (at 2:00 A.M.).

However, farmers' organizations continue to lobby Congress against the practice, preferring early daylight to tend to their field and a Standard Time sunset for ending their work at a reasonable hour. Some farmers point out that the DST is deceptively misnamed. "It is a gimmick that changes the relationship between 'Sun' time and 'clock' time but saves neither time nor daylight," says Katherine Duto, spokesperson for the Indiana Farm Bureau.

Most of Canada is on DST; only portions of Saskatchewan and small pockets of British Columbia remain on Standard Time year-round. However, the practice has its detractors. In the words of a current-day Canadian poultry producer, "The chickens do not adapt to the changed clock until several weeks have gone by, so the first week of April and the last week of October are very frustrating for us." Similarly, one Canadian researcher likened an increase in traffic accidents to the onset of DST. Other experts insist that the extra hour of daylight reduces crime.

As of January 2023, 19 states have passed bills to end the practice of switching the clocks. However, the legislation can only go into effect if *federal* law changes. The Uniform Time Act would need to be amended to allow such a change. In early 2022, a bill to enact permanent DST unanimously passed in the Senate, but it was not taken up by the House and will have to be reintroduced in order to have any chance of moving forward.

Butternut Squash Quinoa

Servings:

6

Total Time:

45 mins

Calories:

529



Recipe by: foolproofliving.com

● ● ●

"Made with roasted butternut squash, quinoa, dried cranberries, and walnuts this easy quinoa salad recipe comes together quickly!"

● ● ●

Ingredients:

- 2 pounds - Butternut Squash (peeled and cut into 1-inch cubes)
- 1 - Large Red Onion (peeled and cut into chunks)
- 2 tablespoons - Vegetable Oil
- 1 1/2 teaspoons - Salt
- 1/2 teaspoon - Black Pepper (ground)
- 1/4 cup Extra Virgin Olive Oil
- 4 tablespoons - Balsamic Vinegar
- 1 tablespoon - Dijon Mustard
- 2 tablespoons - Maple Syrup
- 1 clove - Garlic (minced)
- 1 teaspoon - Kosher Salt
- 1/4 teaspoon - Black Pepper
- 2 cups - Baby Spinach (rinsed and spin dried)
- 3 cups - Quinoa (cooked)
- 1 cup - Dried Cranberries (roughly chopped)
- add handful - Pomegranate Arils (optional)
- 1 cup - Walnuts (roughly chopped)

Instructions:

1. Preheat oven to 425 degrees. Line a sheet pan with parchment paper.
2. Place the squash and red onion in the baking sheet. Drizzle it with oil and sprinkle it with salt and pepper. Give it a toss.
3. Roast in the oven for 25-30 minutes or until a knife inserted in a cube of butternut squash comes in and out easily. Set aside to cool.
4. To make the vinaigrette: Whisk together oil, balsamic vinegar, dijon mustard, maple syrup, garlic, and salt and pepper.
5. To assemble: place baby spinach, quinoa, and roasted vegetables in a large salad bowl. Drizzle it with the salad dressing. Give it a gentle toss.
6. Top it off with cranberries, pomegranate arils (if using), and walnuts. Toss and serve. Enjoy!

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