

IN THE NEWS: January 24th, 2018

Welcome to the January issue of *Advisor Insights*, an e-newsletter that provides you a roundup of the most important financial services industry news.

[When Will the New Tax Plan Kick In?](#)

The Republican tax plan kicked in in the beginning of January, but taxpayers will not see all of the changes immediately. This article contains a calculator to estimate your taxes, as well as an estimated timeline of the actions of the tax plan. In January 2018 majority of the provisions have gone into effect, February 2018 is the earliest that most will see changes in their paychecks, April 2018 only a few changes will apply when people file their 2017 taxes, and the list goes on.

[Banks Seen as Acquiring More RIAs in 2018](#)

Banks purchased 13 RIAs (Registered investment bankers) last year, almost triple the amount bought in 2016. The Republican tax-cut bill signed by President Donald J. Trump snipped corporate tax rates from 35 to 21 percent. These lower tax rates could encourage banks to continue to buy more RIAs in 2018, said a market analyst. Overall RIA acquisitions rose 6 percent last year from 2016, RIA Deal Book reported. New Jersey-based Peapack Gladstone Bank bought two RIAs and six other banks each bought one RIA, according to RIA Deal Book.

[Investors ‘Flocking In’ to Real Estate Lending](#)

Real estate lending is a prime retirement savings vehicle that often gets overlooked said Bobby Montagne, chief executive officer at Walnut Street Finance, a private lender. Real estate lending is investing in a private loan fund managed by a private lender. With real estate lending investors can put small percentages of their 401(k)s or IRAs in a large pool of funds, which lenders match with those working on home flipping projects. The home-flipping market utilizes these private loans for individuals who purchase distressed properties, renovate them, and quickly sell them for a profit.

[Advisors Debate Value of Long-Term Care Insurance](#)

Long-term care insurance has generated a debate on whether it belongs in an investment/retirement portfolio. Today, long-term care insurance pricing is more cautious, but everyone is unsure whether these products are a good match for the expanding life expectancy of baby boomers. “Don’t buy long-term care insurance,” said wealth manager at Palisades Hudson Financial Group in Ft. Lauderdale, Florida, Melinda Kibler. Kibler describes long-term care as a big financial risk that does not lend itself to insurance and can increase rather than reduce the risk in retirement. “It’s better to plan for long-term care on your own by saving and investing and in some cases, using a trust,” said Kibler.

[Trump Administration Proposes Expanding Association Health Plans](#)

The Trump administration took the first step toward clearing the path for the sale of health insurance across state lines. Another move toward dismantling the Affordable Care Act, the Department of Labor announced a proposed rule which would expand the offering of small business health plans. This proposal would give small businesses and sole proprietorships more freedom to work together to provide health insurance for employees. This would allow employers to purchase insurance in the large group market while joined as a single group.



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