

Lake County Tax Advisory Group

Taxes – Investments - Insurance

DID YOU
KNOW



LAKE COUNTY TAX ADVISORY GROUP provides residents of Leesburg and The Villages with access to some of the highest educated and certified tax, Medicare, insurance, and financial advisors in the Lake & Sumter County area. This “Did You Know” piece is meant to provide relevant information on Tax, Medicare, Financial, Social Security and other relevant topics. Professional services equal professional results. That’s why people choose us.

DEDUCTING LONG-TERM CARE MEDICAL EXPENSES

Long-term care medical expenses (including but not limited to diagnostic, preventive, therapeutic, curing, treating, mitigating, rehabilitative, as well as maintenance and personal care services) are deductible if the services are required by a chronically-ill individual and a licensed healthcare practitioner prescribes the care. An individual is chronically ill if unable to perform at least two of six activities of daily living (eating, toileting, transferring, bathing, dressing, and continence). An individual who is cognitively impaired and requires substantial supervision is also considered chronically ill.



THE ANNUAL ELECTION PERIOD(AEP)

is an annual open enrollment period for Medicare Advantage and Medicare prescription drug coverage that takes place from **October 15 to December 7** every year. During AEP, you may:

- Switch from Original Medicare to a Medicare Advantage plan.
- Switch from a Medicare Advantage plan back to Original Medicare.
- Switch from a Medicare Advantage plan to different Medicare Advantage plan.
- Switch from a Medicare Advantage plan that doesn’t include drug coverage to one that does, and vice versa.
- Join a Medicare prescription drug plan.
- Switch from one Medicare prescription drug plan to another one.
- Drop your Medicare prescription drug coverage.



CAN YOU AFFORD ANOTHER MARKET DOWNTURN?

The S&P 500® is widely regarded as the best single gauge of large-cap U.S. equities. The last 10 years have been prosperous. The market has been up 9 of the last 10 years. On July 2006, the index was at 1270 and today, July 2016 it is at 2170. This is to say, a \$100,000 investment then could now be worth \$170,866 . That’s a gain worth preserving! There are a number of economic and geo-political factors in play now. You can protect your gains of the last 10 years, ask us how!



EARLY OR LATE RETIREMENT?

If you claim benefits before your full retirement age your benefit will be permanently reduced by 6.67% for each year you claim early, up to 36 months. Beyond 36 months early, your benefits are reduced by 5%. If you choose to wait until after your full retirement age, your benefits will be permanently increased by 8% for each year you choose to wait until as late as age 70. For example, if your benefit at full retirement age of 66 is calculated to be \$1,500, filing at 62 will reduce your monthly benefit to \$1,125. On the other hand, waiting until 70 would increase your benefit to \$1,980 per month. That’s a big difference.



SOCIAL SECURITY