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*“Unbiased financial advice  
for  
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## Financial Tip

The IRS has ruled this year that most individuals who have inherited a retirement account since 2020 must take a Required Minimum Distribution (RMD) if the owner of the account was required to take an RMD.

# Focus Finances

your personal financial newsletter

Fall 2024

## SECURITY BREACHES

Data breaches of personal information are on-going and some of the largest ones include Capital One, JP Morgan Chase, Ally, Bank of America, and AT&T.

Many of you may have been contacted recently as I have, notifying you that your personal info may have been stolen as a result of the National Public Data breach. This company is a data broker that sells personal data to various companies and agencies. The information stolen is alleged to include 2.9 billion records containing full names, address, social security numbers, dates of birth and phone numbers. All information needed to steal your identity.

Consider the following to protect your identity:

- Place a fraud alert on your credit file if there is a chance that your personal info was breached.
- Change your password for any account that was affected. (Update all passwords at least annually especially for online accounts.)
- Freeze your credit report with Equifax, Experian, and Transunion. This will prevent anyone from opening new credit accounts in your name. You will have to unfreeze your credit any time you want to apply for credit.
- Request your free annual credit reports from all 3 credit reporting agencies. Review and update any information that is not correct. [www.annualcreditreport.com](http://www.annualcreditreport.com)
- Check all statements for accuracy; i.e., charges, purchases etc.
- Watch for scam emails and texts. Do not respond or click on any link even if it looks legitimate

## CHARITABLE CONTRIBUTIONS / DEDUCTIONS IN 2024

As we approach the holidays and the end of the year, it is a great time to support charities. However, since the standard deduction is high, many taxpayers do not have itemized deductions including charitable contributions that are more than the standard deduction. The following may be options to consider:

- Take advantage of “bunching”. This allows you to bunch itemized deductions for 2 years and claim in one tax year. Other years the standard deduction would be taken. You must itemize deductions to deduct charitable donations.
- Charitable contributions made in cash to public charities is limited to 60% of your adjusted gross income (AGI)
- A Donor-advised fund may also be a consideration. Contributions to a donor advised fund are charitable contributions for the purpose of supporting qualified charitable organizations.

The funds can be invested for tax-free growth and allows you to support charities on your timetable (The charity must qualify for tax-exempt status as required by the tax code and determined by the IRS.)

- Donating appreciated property such as stock held for more than a year could give you a higher tax savings since you will avoid paying capital gains taxes on the stock.
- If you are 70 ½ you can make a tax-free donation from your IRA to a charity known as a Qualified Charitable Distribution (QCD). This is not taxable to you since the check is payable to the charity. Be sure you receive a receipt from the charity. For those who are at least 73 years old, QCDs count toward the IRA owner’s required minimum distribution (RMD) for the year.

For your reference, the standard deductions for 2024 are listed below:

|   |          |
|---|----------|
| Single or Married filing separately                     | \$14,600 |
| Head of Household                                       | \$21,900 |
| Married filing jointly or qualifying<br>Survivor spouse | \$29,200 |

However, your standard deduction may be increased if you are 65 or older or blind or 65 or older and blind.

Any information in this newsletter should not be acted upon without professional advice.  
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