

Year End 2023/New Year's 2024 Newsletter

We hope that you are enjoying the start to this New Year. This issue of our newsletter includes a host of updates: Sue's retirement, the addition of Kelly Reid to our team, our annual update on retirement plan contribution amounts and when to expect tax documents.

Another Patterson Retirement: A Heartfelt and Loving Thank You

Lorraine and Cheryl would like to send our heartfelt and loving thanks to Sue for her 25 plus years of daily unwavering support, expertise, good humor and hard work for all of us at H&P. Sue has consistently worked to make the gears of H&P work behind the scenes in the countless tasks that needed to be done to make it seem effortless- no matter how small or large the challenge. All of us who have worked with you know how important H&P has been to you— and Lorraine and I know how important you have been to all of us.

Dearest sister, We wish you a well-deserved retirement filled with laughs, good health, travel, time for friends and family, and your beloved Tami. You are truly a gift --- thank you!
All of our love, Cheryl and Lorraine

Dear Sue, As you begin this new chapter of life, I want to express my deepest gratitude for the invaluable contributions you have made throughout your remarkable career. Your dedication and tireless efforts have been instrumental in shaping our firm. You brought a genuine warmth and personal touch to every interaction. May this new chapter be filled with the joy and fulfillment you so rightly deserve. You have been more than I could have asked for as a business partner. Thank you for everything, and here's to a well-deserved and rewarding retirement!
Cheers, Vikki

Welcome Kelly Reid!

We are excited to welcome Kelly Reid to the team! Kelly is a Certified Financial Planner™ and brings a wealth of experience with over 20 years in the industry. A graduate of the University of Pittsburgh, Kelly holds the FINRA Series 7 and 66 licenses and is insurance licensed for life and health.

For Those of You with Investments Outside of SEI through our Office:

You will receive notification this quarter that Kelly Reid will be listed as the representative on these accounts following Sue's retirement on 12/31.

Presidential Election Year Generally Equals Volatility

We know we can't make any promises about the markets... but we are confident in saying that there is a high probability for volatility this year. Election years are generally roller coaster years for the stock markets. It is not a stretch to say that with increased angst leading up to next year's election, volatility will likely be the norm.

It will be important to keep focused on the long-term horizon; not the possible short-term gyrations. During election years everything tends to be under a microscope for hints of what might happen on Election Day. If we believe pollsters, they tell us that voters generally vote based on how they feel the economy is either doing under the Incumbent or how it will do under the opposing candidate. In other words - it is the economy that guides their vote. Democrats and Republicans have very different approaches to economic issues which is why this can be one of the primary causes of volatility during an election year.

In addition to economic issues, we know that every gaffe and/or mistake uttered by a candidate will be amplified the closer we get to Election Day. We haven't even mentioned world events that swirl around us each day that also impact the way voters are feeling. To add to the mix, we have the stressful addition of whether voters and politicians believe in the integrity of our voting system following the election. All of this is to say we anticipate a real roller coaster ride for the markets in 2024. We would love to be wrong!

Our continued advice no matter whether we have lots of volatility or not is to look at the long-term horizon in our portfolios. Stock traders care about the daily fluctuations of prices in the markets. Investors see through the noise and are able to look beyond the daily chaos. This is not easy, but it is necessary as an investor and will likely be tested this election year. It is critical to remember that your portfolios are designed for short and long-term needs using quality investments and stress-tested strategies. As always there are no guarantees, however we are confident in the process used to construct your portfolios.

Please do not hesitate to contact us anytime with your questions or concerns. We wish all of you good health in this year and special times with those you hold dear.

2024 Contribution Limit Updates

IRAs

Individuals under age 50 may contribute \$7,000 and individuals age 50 and older may make an additional "catch-up" contribution of \$1,000 for a total of \$8,000.

TSA/403(b), 401(k)

The contribution limit for participants under age 50 is \$23,000. Participants age 50 and older may make an additional "catch-up" contribution of \$7,500 for a total of \$30,500.

Simple IRA Deferral Contributions

Participants under age 50 may contribute \$16,000. The "catch-up" contribution provision available for participants age 50 and older allows for an additional \$3,500 for a total of \$19,500.

Profit-Sharing Plan Contribution/Deduction Limits

The employer deduction limit for profit-sharing plans remains at 25%. This continues to allow substantially increased annual contributions for employers who use or allow multiple contribution options, such as profit sharing, matching, and after-tax contributions.

2024 Limits for Tax Deductibility of Long-Term Care Insurance Premiums

Premiums up to the limits below are considered unreimbursed medical expenses. They are deductible to the extent that they, along with other unreimbursed medical expenses, exceed 7.5% of your adjusted gross income (AGI). Amounts above the limits specified below are not treated as a deductible medical expense.

Taxpayer's Age at End of Tax Year - Deductible Limit	
40 or less	\$470
More than 40 but not more than 50	\$880
More than 50 but not more than 60	\$1,760
More than 60 but not more than 70	\$4,710
More than 70	\$5,880

Tax Filling Reminders

Massachusetts Full-Time and Part-Time Residents:

If you made a charitable donation in 2023, please inform your tax preparer. You can now deduct charitable donations on your MA state tax return even if you don't itemize on your federal taxes. For more information click [here](#) or consult with your tax preparer. (If you donated from your IRA, you won't be able to itemize the donation on your state or federal taxes, but still inform your tax preparer as it will reduce your taxable income.)

Revised or late 1099s from investment companies are always a possibility.

SEI usually mails out their 1099s on the last day of February, however there is always a possibility for amended tax documents. 1099-Rs (retirement income) are mailed in late January.

Tax Year Retirement Plan Contributions

Please note that we need to receive your retirement plan contribution checks by April 5, 2024 or contact us if you would like to set up an ACH from your bank account. This will allow us time to process your transaction before the deadline. If you are not able to make this date, you may send your checks directly to the appropriate investment company. Remember to write the contribution year in the Memo field (e.g., IRA or Roth IRA 2022 contribution) so that it can be coded to the proper tax year.

Please contact us if you retired last year or are planning to retire this year and are making systematic investments to retirement accounts through our office.

If you are no longer working, we will need to terminate any automatic/systematic investments that you may have had established for your various retirement accounts (i.e., IRAs, Simple IRAs, and SEPs) so that contributions are not made this year.

Quarterly Statements

You should be receiving statements at least quarterly from SEI. If you are not receiving these statements, please contact us. Clients are encouraged to review the information on the statements, especially the amount of fees deducted, and compare that information with any information provided by Hart & Patterson Financial Group. If there are any questions or discrepancies, please contact us.

2023 Charitable Contributions

Hart & Patterson is proud to have supported the following organizations in 2023!

The American Cancer Society (2023 Relay for Life), Amherst ABC, Pan Mass Challenge, Cooley Dickinson Hospital (The Breast Cancer Center) and Girls on the Run Western Massachusetts.

As always, please be in touch with any questions or concerns. From everyone at Hart & Patterson, we wish you a wonderful holiday season and start to the New Year!

Vikki Lenhart

Registered Investment Adviser

Lucia Reed

Registered Investment Adviser