

SONORAN RETIREMENT ADVISOR



August 2025

Don't call it a dream, call it a plan.

IN THIS ISSUE

1. Note to my clients.
2. Feature Story Pg. 2-3
3. Clients of the Month Pg. 4
4. Planning Compass Pg. 4-8
5. Upcoming Workshops Pg. 9-10
6. Prescription Drug Worksheet Pg. 11

Hi,

The Medicare Annual Enrollment Period (AEP) is around the corner. We expect this to be our busiest AEP ever and we need you to help us help you. We will review every plan for our clients who send in their drug lists. Even if your prescriptions have not changed or you are not taking any prescriptions, if you send us your list or email us that you are not taking any meds then we will review your plan. As in previous years, if a change is recommended, we will schedule an appointment with you. If no change is needed your current plan will automatically renew so no appointment is needed. Please stop by our open house at our office on 10/10/2025 to say hi. I have attached our drug list template to help you get us the information that we need.

As part of Futurity First Wealth Management and Sequent Planning, I now have access to some very cool tools to help you with good financial management. My first article will focus on the Retirement Planning Center (RPC) this is an excellent, totally free, tool that I am making available to all of you. You can access RPC by clicking in this link: <https://mattdelucaffigaz.learnlux.com/>

My second article will focus on the impact of Big Beautiful Bill.

Please leave us a google review:

https://linktr.ee/futurityfirsttucson?utm_source=linktree_profile_share<id=dd96f394-c4cf-4a92-a912-076175d8ff17

Stay safe and healthy.

Your Tucson Team



From Medicare to Retirement Planning. We provide the tools, and expertise to protect your retirement and lifestyle.

FEATURE STORY**Retirement Planning Center**

Retirement Planning Center® is your connection to insurance and financial planning professionals dedicated to Guiding You To and Through Retirement.

The Financial Wellness & Education Experience

Retirement Planning Center was created to bridge gaps in financial planning services so that the customer achieves more and has a better experience along the way. We take a big-picture approach that accounts for foundational pieces and risks that many advisors skip or refer elsewhere. The result is a more comprehensive plan that's also more convenient for you.

We believe that every person deserves access to the information and guidance that will help them achieve the financial success and retirement they envision. But money matters can be complicated, and retirement planning services are fragmented and often cater to the wealthiest. Our team is committed to making retirement possible for more, better for those already in it, and successful for all.

Your Financial Questions Answered:

Get answers customized to your unique situation. Here are some of the many questions we can answer.

1. How will I know if my money will last?
2. When should I elect Social Security?
3. When and how do I take required minimum distributions?
4. How will I pay for health care in retirement?

5. When is the right time to take from my Roth IRA, 401(k) or other accounts?
6. How do I pay for extended-care expenses?
7. How do I avoid probate?
8. How do I leverage my home as an asset?
9. What do I do when I inherit money?
10. How do I do a Medicaid spenddown?
11. How do I lower my tax bill?
12. How will inflation affect my retirement?
13. How do I make sure my children get an inheritance?
14. Should I get a second opinion on my retirement plan?
15. What happens if Social Security runs out of money?
16. How do I avoid the market rollercoaster?
17. Should I keep working or work part-time?
18. How do I pay off my student loans faster?
19. Can I afford a house?
20. How can I pay off my credit card debt?
21. How do I increase my credit score?

Navigate the complex decisions of financial planning with less stress, more confidence and better outcomes.

Planning can be complex, but it shouldn't be overwhelming. Need help with one piece, several parts or all of it? We can help.

- **Income in retirement** - Where will your money come from in retirement? How do you make sure you don't outlive your money? Create a reliable income stream, by maximizing your Social Security benefits and carefully planning when to tap other sources such as 401(k)s, IRAs, CDs or annuities.

- **Taxes** - How do you make sure your income in retirement doesn't get eaten up by taxes? Because income sources are taxed differently, strategizing your withdrawals is necessary to avoid tax pitfalls, such as being taxed at a higher rate.
- **Health care, Medicare and long-term-care costs** - Health care is one of the largest expenses in retirement. Extended care — when you need help performing everyday activities such as bathing, feeding, or taking medications — is not considered medical care, so Medicare and supplemental Medicare insurance plans don't cover these expenses. A sound retirement plan should consider Medicare and extended-care expenses.
- **Investments** - Investments such as mutual funds, bonds and alternative investments can play a big role in meeting your expenses and lifestyle in retirement. Having a healthy mix of asset protection, guarantees, and at-risk dollars may help you achieve your goals.
Asset allocation or diversification does not guarantee investment returns and does not eliminate the risk of loss. Financial planning including investment advice and recommendations, if requested, is provided by a securities licensed professional. A separate agreement and related disclosures will be provided if you decide to proceed with an individual professional.
- **Retirement Risks** - How do you protect what you've built? First, identify risks that could

chip away at your retirement plan. These include longevity (outliving your money), inflation, and sequence of return risk (receiving lower returns on your investments when you need to make withdrawals for your retirement income). Your Financial Coach can help you understand different strategies to address these risks.

Leaving your mark - Do you want to leave an inheritance to your children? Donate money to a charity? Decide while you're alive how you want your estate distributed after your death. Failing to plan for your own death may leave your life partner or other loved ones in financial trouble. Plan now for the legacy you want to leave.

These tools are easy to use and completely free.

To learn more please contact Marilyn, to schedule an appointment with Matt, at 520-668-9662. Or click: <https://mattdelucaffigaz.learnlux.com/>





Clients of the Month

We appreciate your referrals so much

We are happy and grateful for each referral. The only things your friends have to lose are high premiums and that sinking feeling that they just lost money when the market dips again. I'm happy to offer a gift card for every referral that leads to an appointment.

Mike D. referred his friend **Chris R.** Thank you so much!

Chris D. referred her friend **Miriam E.** Thank you so much!

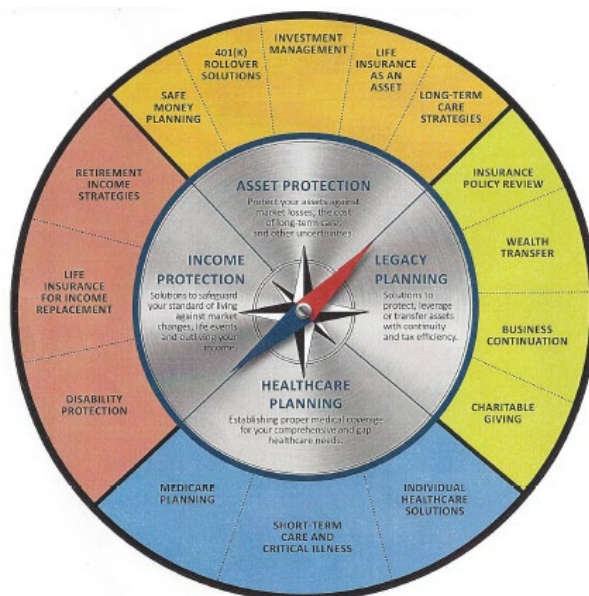
TUSD referred 3 people this month: **Toni C, Maria B., and Felix G.** Thank you so much!

Cyndi J. referred her friend **Marlene F.** Thank you so much!

Yolanda C. referred her friend **Octavia B.** Thank you so much!

Linda and Joe H. referred their friend **Leda K.** Thank you so much!

The Retirement Planning Compass



How the One Big Beautiful Bill Will Impact You

The One Big Beautiful Bill Act of 2025 (OBBBA 2025) was signed into law by President Trump on July 4, 2025, and will have far-reaching impacts on millions of Americans.

While the breadth of the legislation is extraordinary, we will break down some of the key changes that will affect our clients so we can help to guide you in the coming days, months and years.

Your Key Takeaways:

- The OBBBA will impact some seniors' income through extended tax cuts, increased standard deductions and a new senior bonus deduction of \$6,000 for some Americans age 65 and older.

- The permanent extension of the 2017 tax rates and brackets provides numerous opportunities, including more time and a longer runway to do Roth conversions at historically favorable tax rates.
- Expect to see significant disruption in the Affordable Care Act marketplace for under-65 individual health plans, including increasing premiums.
- The OBBBA includes provisions impacting Medicare Savings Programs (MSPs) and Medicaid, primarily through changes to eligibility and enrollment processes.
- The Congressional Budget Office estimates that 1.3 million seniors will lose their dual eligible status, meaning they will lose their Medicaid coverage.
- A new senior bonus deduction to help offset Social Security taxes, available for tax years 2025 through 2028
- An above-the-line deduction for cash gifts to charities beginning in 2026 for non-itemizers
- A temporary increase on the cap for itemized deductions for state and local taxes (SALT)
- A permanent increase in the federal estate and gift tax exemption amount
- A permanent extension of the 20% deduction for pass-through businesses

Many middle-income seniors may see an increase in their spendable income due to the increased standard deduction amount, the new charitable deduction for non-itemizers and the new senior bonus deduction. Above those thresholds, the deduction phases out.

Tax Cuts and Other Tax Changes

The OBBBA extends several major provisions of the Tax Cuts and Jobs Act of 2017 (TCJA), many of which were set to expire at the end of 2025. If the TCJA's provisions had expired all at once, 62% of filers would have faced a tax increase relative to current policy in 2026, according to the Tax Foundation.

In addition to the permanence of the 2017 tax cuts, some of OBBBA's key provisions impacting seniors include:

- A permanent increase in the standard deduction

To be sure, not everyone will be able to take advantage of all the provisions. And the senior bonus deduction may have hidden pitfalls that tax experts are still assessing. The Urban-Brookings Tax Policy Center, which produces independent analysis of tax and fiscal policy, estimates that fewer than half of older adults will benefit from the senior deduction.

Does the One Big Beautiful Bill Eliminate Taxes on Social Security?

The OBBBA does not end the federal taxation of Social Security.

The Tax Policy Center, which is generally regarded as nonpartisan, issued a statement “correcting” the SSA press release and SSA email to tens of millions of Americans. The SSA claimed that the megabill “eliminates taxes” on Social Security benefits for 90% of recipients.

The Tax Policy Center’s statement and multiple reports by the media and other organizations like the Bipartisan Policy Center have tried to clear up the confusion by explaining that the law does not include a direct tax cut on Social Security. Social Security benefits are taxed like other income, and the new law does not change that.

Rather, the law’s new senior deduction can indirectly impact how much Social Security income is subject to tax, by reducing taxable income enough that some seniors will not owe federal taxes on their Social Security benefits.

Who Benefits the Most From the Senior Bonus Deduction?

So, who will benefit? The seniors who may benefit the most from it are those making between about \$80,000 and \$130,000, according to the Tax Policy Center. Most would see their income taxes on Social Security benefits reduced, not eliminated.

Using Roth Conversions to Lower Taxable Income

There may be hidden pitfalls with the new senior-age deduction, but the permanent extension of the 2017 tax rates and brackets provides taxpayers more time and a longer runway to do Roth conversions at historically favorable tax rates and fill their tax-free

asset bucket. For this reason, Roth conversions will continue to be a popular strategy for tax diversification.

Federal Estate and Gift Tax Exemption

The OBBBA establishes a permanent, inflation-adjusted lifetime estate and gift tax exemption of \$15 million per person (\$30 million if married) beginning in 2026.

Without this change, the exemption amount would have expired at the end of 2025 and reverted to \$7.2 million on Jan. 1, 2026. This update will provide greater stability for the estate planning market, and the larger exemption amount will allow families to transfer more of their wealth to future generations.

Helping Small Businesses

Life insurance is a vital yet often overlooked part of small business planning. Neglecting to incorporate life insurance into a small business’ comprehensive business plan can leave the company vulnerable to financial setbacks and disruptions. It also could mean the business misses out on benefits such as the tax-deferral features of permanent life insurance.

The OBBBA presents an opportunity for us to help small business owners.

What Is the Section 199A Deduction?

Many owners of sole proprietorships, partnerships, S corporations and some trusts and estates may be eligible for a qualified business income (QBI) deduction - also called the Section 199A deduction - for tax years beginning after Dec. 31, 2017. The deduction allows eligible taxpayers to deduct up to

20% of their QBI, plus 20% of qualified real estate investment trust (REIT) dividends and qualified publicly traded partnership (PTP) income.

The OBBBA retains the existing Section 199A qualified business deduction (QBI) and makes the 20% deduction for business owners and self-employed individuals permanent. This is a big benefit for those small business owners who use cash flow from their business to fund life insurance and long-term care (LTC) premiums.

Changes to Medicaid and the Affordable Care Act

One of the most consequential impacts of the legislation involves health insurance for people under the age of 65 - namely, those relying on Medicaid, the joint federal and state program that provides health coverage to millions of low-income Americans, and those receiving subsidies to buy plans through the Affordable Care Act's state and federal health marketplaces.

The Congressional Budget Office (CBO), the nonpartisan federal agency tasked with helping Congress make effective budget and economic policy, has estimated that 11.8 million people would become uninsured due to Medicaid and ACA marketplace cuts by 2034.

The OBBBA:

- requires “able-bodied” Medicaid recipients to work, volunteer, attend school or participate in job training at least 80 hours a month, or qualify for an exemption such as being a caregiver or having a disability

- repeals the Biden Administration's rule that simplified Medicaid eligibility
- increases the frequency of Medicaid eligibility redeterminations
- requires ACA policyholders to update their information annually instead of being automatically re-enrolled
- shortens the ACA's open enrollment period by one month

The OBBBA's Impact on Dual Eligibles

While the OBBBA will primarily impact those under 65, the CBO estimates that 1.3 million seniors will lose their dual eligible status, meaning they will lose their Medicaid coverage.

Disruption in the Under-65 ACA Market

People with ACA coverage also may see increasing premiums, as the number of uninsured rises and especially if the subsidies are not extended. We expect to see disruption in the ACA marketplace,

What's the OBBBA Impact on Medicare?

While Medicare was frequently mentioned in the political discourse over the bill, Medicare-related provisions were minimal compared to the ACA or their impact is still being assessed or expected to be a non-issue.

To the latter point we expect Congress to intervene before OBBBA triggers \$490 billion in cuts to Medicare from 2027 to 2034. The Statutory Pay-As-You-Go Act (PAYGO) of 2010 is a law that essentially requires Congress to ensure that any legislation that increases mandatory spending or

decreases revenues does not increase the federal budget deficit. (The CBO estimates the bill would add \$3.4 trillion to federal deficits over the next 10 years.)

We are reviewing the OBBBA's new limits on low-income Medicare enrollees to access Medicare Savings Programs that help cover premiums and cost-sharing.

Other OBBBA changes impacting seniors'

Medicare and long-term care include:

- A 2.5% increase in the Medicare Physician Fee Schedule for calendar year 2026
- Elimination of Medicare eligibility for some people with lawful immigration status who have already paid into the program - a change from longstanding policy, which recognizes eligibility for everyone who has paid sufficient Social Security and Medicare taxes
- A 10-year moratorium (through fiscal year 2034) on implementation, administration, or enforcement of the minimum long-term care facility staffing levels required by the May 10, 2024, CMS final rule
- A \$50 billion rural hospital stabilization fund

While Medicare dodged major changes with the OBBBA, the upcoming 2026 Annual Election Period (AEP) is full of disruption like the previous year. From rate increases to more Part D plans dropping commissions, we will face another challenging AEP season.

The Best Support to Help You Navigate

Legislative Changes

We are continuously monitoring the impact of the OBBBA and other legislation that affect our clients.

UPCOMING MEDICARE WORKSHOPS

*For all workshops please email Marilyn at:
marilyndeluca@ffig.com or call her at
520-668-9662 to Reserve your free seat.*

Tuesday August 5th - 11:00 AM
FUTURITY FIRST - TUCSON OFFICE:
4400 E Broadway Blvd, Suite 712, Tucson, AZ
85711

Tuesday August 5th - 6:00 PM
FUTURITY FIRST - TUCSON OFFICE:
4400 E Broadway Blvd, Suite 712, Tucson, AZ
85711

Tuesday August 26th - 11:00 AM
HILTON EL CONQUISTADOR:
10000 N Oracle Rd, Tucson, AZ 85704

Tuesday August 26th - 6:00 PM
HILTON EL CONQUISTADOR:
10000 N Oracle Rd, Tucson, AZ 85704

Tuesday September 9th - 11:00 AM
FUTURITY FIRST - TUCSON OFFICE:
4400 E Broadway Blvd, Suite 712, Tucson, AZ
85711

Tuesday September 9th - 6:00 PM
FUTURITY FIRST - TUCSON OFFICE:
4400 E Broadway Blvd, Suite 712, Tucson, AZ
85711

Tuesday September 23rd - 11:00 AM
**MARRIOTT COURTYARD – TUCSON
AIRPORT:**
2505 E Executive Dr, Tucson, AZ 85756

Tuesday September 23rd - 6:00 PM
**MARRIOTT COURTYARD – TUCSON
AIRPORT:**
2505 E Executive Dr, Tucson, AZ 85756

Tuesday October 7th - 11:00 AM
FUTURITY FIRST - TUCSON OFFICE:
4400 E Broadway Blvd, Suite 712, Tucson, AZ
85711

Tuesday October 7th - 6:00 PM
FUTURITY FIRST - TUCSON OFFICE:
4400 E Broadway Blvd, Suite 712, Tucson, AZ
85711

Answers to your important questions

- What's really working on Wall Street and how can I avoid what's not?
- What does volatility mean to my portfolio?
- How do I maintain my income no matter what happens in the market?
- How can I avoid the pitfalls of variable annuities?
- What isn't my broker telling me about mutual funds?
- How to insulate your 401(k), 403(b) from devastating market corrections?
- How you can reduce management fees on your portfolio?
- How can I make sure I never run out of money without putting all of my money into an annuity?

Futurity First
4400 E Broadway Blvd, Suite 712
Tucson, AZ 85711
www.futurityfirstofthetam.com
520-668-9662



Build your retirement plan based on certainty and guarantees, not theories and guesswork.



Finally there is a planning model that is easy to understand and provides low cost, high yield, consistent income. This process avoids losses, reduces fees and puts more money where it belongs... in your pocket. It is so simple that you may say, "Why didn't I think of it myself."

This classroom course is focused on empowering you to make fact-based financial decisions. If you are wondering why the markets do what they do, seemingly without any rhyme or reason, this course is for you. Learn how to recognize the dangers in your financial plan and how to side-step their negative effects on your portfolio. Gain the confidence needed to move past daily market performance concerns and interest rates and enjoy retirement.

Retirement Income Planning Workshop



A 60-minute educational program preparing you with the financial basics of retirement planning.

Offered at our office
for your convenience

4400 E Broadway Blvd, Suite 712
Tucson, AZ 85711

Tuesday, July 15th

Tuesday, August 12th

All workshops begin at either 12:00 pm or 6:00 pm

**Seating is limited.
Register today for your free seats!**

520-668-9662

Course Outline

Part 1

- Our process
- What concerns retirees the most

Part 2

- Today's retirement landscape
- Key retirement ages and decisions
- Income gap

Part 3

- Risks affecting your portfolio

Part 4

- Sources of guaranteed income

Part 5

- Elements of a retirement income plan
- Make your money last a lifetime (or two)
- Inflation fighting tools
- How a simple plan can protect you from losing money or income in any market condition

Phone #:[illegible]