

2022 · WHAT ISSUES SHOULD I CONSIDER WHEN HAVING (OR ADOPTING) A CHILD?



CASH FLOW ISSUES	YES	NO
Do you need assistance to determine how much it will cost to raise a child? If so, consider the possible healthcare, childcare, and college education costs.	<input type="checkbox"/>	<input type="checkbox"/>
Do you need help with your new budget? If so, consider the following: <ul style="list-style-type: none"> You may need to review your budget to find areas to save on current expenses, while appropriately increasing or adding new expense categories to accommodate your growing family. You may need to reassess your long-term financial goals to align with your updated cash flow. You may need to increase your emergency fund to account for any new expenses and potential liabilities. 	<input type="checkbox"/>	<input type="checkbox"/>
Will you and/or your partner take maternity/paternity leave? If so, consider how this will impact your cash flow and savings.	<input type="checkbox"/>	<input type="checkbox"/>
Do you or your partner plan to stay home to raise children? If so, consider the following: <ul style="list-style-type: none"> The impact on your cash flow, savings, and overall financial plan. The impact on your emergency fund due to living on one income. The possible impact on employer benefits such as health and life insurance. 	<input type="checkbox"/>	<input type="checkbox"/>
Will you need professional childcare services to support your family? If so, consider the cost of daycare or a nanny and the impact on your household budget.	<input type="checkbox"/>	<input type="checkbox"/>
Do you need to check to see if your employer offers any benefits (adoption expense reimbursements, childcare subsidies, maternity/paternity leave)?	<input type="checkbox"/>	<input type="checkbox"/>
Beyond what you have saved, do you need additional cash to cover any costs related to having (or adopting) a child? If so, consider taking a distribution up to \$5,000 from an eligible retirement plan, within one year of having (or finalizing the adoption of) a child. The distribution is taxable as ordinary income (if not from a Roth) but there is no 10% penalty.	<input type="checkbox"/>	<input type="checkbox"/>

ASSET & DEBT ISSUES	YES	NO
Do you expect your child to receive cash gifts? If so, consider opening a custodial account (UGMA or UTMA) and possibly a 529 account.	<input type="checkbox"/>	<input type="checkbox"/>
Does your employer offer a Dependent Care Flexible Spending Account? If so, consider making contributions to the account. The account can be used to pay for qualified childcare expenses.	<input type="checkbox"/>	<input type="checkbox"/>
Do you have an HSA? If so, you may be able to contribute \$3,650 (\$7,300 for family) and an additional \$1,000 if you are age 55 or over. See "Can I Make A Deductible Contribution To My HSA?" flowchart for details.	<input type="checkbox"/>	<input type="checkbox"/>

INSURANCE PLANNING ISSUES	YES	NO
Do you need to add your child to your health insurance policy? If so, you generally have 30 to 60 days to do so.	<input type="checkbox"/>	<input type="checkbox"/>
Do you need to find a doctor or pediatrician in your insurance network?	<input type="checkbox"/>	<input type="checkbox"/>
Do you need to review life insurance and disability coverage? If so, consider increasing the amount of coverage you carry (to fund future child-related expenses such as college costs).	<input type="checkbox"/>	<input type="checkbox"/>

TAX PLANNING ISSUES	YES	NO
Is your MAGI below \$200,000 (Single) or \$400,000 (MFJ)? If so, you may qualify for the full Child Tax Credit. The credit is worth up to \$2,000 per qualifying child, and phases out after you reach the above threshold.	<input type="checkbox"/>	<input type="checkbox"/>
Do you have child or dependent care expenses that were required in order for you and your spouse (if applicable) to work or search for work? If so, you may be eligible for the Child and Dependent Care Tax Credit (subject to phaseout restrictions). (continue on next page)	<input type="checkbox"/>	<input type="checkbox"/>

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TAX PLANNING ISSUES (CONTINUED)	YES	NO
<p>Is your MAGI below \$263,410, and did you adopt a child? If so, you may be eligible for the Adoption Tax Credit, which is worth up to \$14,890 (subject to phaseout restrictions).</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Do you need to update how much is withheld from your paycheck? If so, consider updating your W-4.</p>	<input type="checkbox"/>	<input type="checkbox"/>

LONG-TERM PLANNING ISSUES	YES	NO
<p>Do you want to start saving for your child's education? If so, reference "What Issues Should I Consider To Fund My Child's College Education?" checklist.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Do you want to start saving for future expenses for your child (such as an automobile, wedding, etc.)?</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Do you need to update your estate plan? If so, consider the following:</p> <ul style="list-style-type: none"> ■ Update your estate plan to create trusts and appoint trustees in order to protect your children and manage their assets during their minority and beyond. ■ Update beneficiary designations (primary and contingent) to ensure that your partner and children benefit and are properly protected (e.g., with trusts). ■ Appoint a guardian for the child if something were to happen to you and your partner during their minority. 	<input type="checkbox"/>	<input type="checkbox"/>

OTHER ISSUES	YES	NO
<p>Are there any state-specific issues that should be considered? If so, some states offer state tax benefits (state-level Child Tax Credits, 529 contribution deductions or credits, etc.).</p>	<input type="checkbox"/>	<input type="checkbox"/>

Our Process



1 Give Us a Call

We'll start things off by scheduling some time to talk over the phone. This will give us a chance to learn more about your concerns and answer your questions. By the end of the call, we should both have a good feeling if we are a good fit to work together.

2 Get Organized

We'll gather your financial details. This step involves gathering everything in one place. And don't worry. At this stage, we'll also empower you to set up a system to keep your finances organized in the future.

3 Get Started

We'll match this information with your financial goals to create an in-depth analysis. This will include a customized financial planning checklist as well as an Investment Policy Statement. When you are comfortable moving forward, we can work together to put your plan into action.

4 Track & Adjust

Moving forward, we'll continuously monitor your investment performance and reevaluate and readjust your financial plan as needed to stay on track with your evolving needs and goals.

Scott Nelson, Financial Consultant

346 Commercial Street Boston, MA 02109
scott.nelson@lpl.com | 8606801708 | thrivewealthstrategies.com