



James W. Coleman, Sr.

NEWS

CONTACT: Jim Coleman
Phone: 203-756-PLAN (7526)
Toll-Free: (800) 280-2399
Email: Jim@ColemanAdvisoryGroup.com
Web site: www.ColemanAdvisoryGroup.com

Navigating the New Financial Frontier

Local Financial Advisor Gives Tips to Manage the Changing Economic Landscape

WATERBURY, CT (October 7, 2009) — The financial landscape has changed dramatically since Ben Bernanke’s first appointment as Chairman of the Federal Reserve in 2006. Although the Fed intervened in unprecedented fashion to curtail the biggest global downturn since the Great Depression, according to Jim Coleman, an independent financial professional, a magnitude of economic challenges still confront our nation. “We have not yet dealt with the \$2 trillion in bank-owned mortgage-backed securities,” Coleman says. “In addition, unemployment is creeping toward 10 percent and could mean even more home foreclosures. Many experts are predicting a crash in the commercial real estate market and on top of all of that, the previously unflappable American consumer seems tapped out, unable, and in some cases unwilling, to increase spending to boost the economy.”

While President Obama praised Bernanke for bold action and outside-the-box thinking that helped soften the economic fall, Coleman believes that it’s become increasingly clear that many individuals and families may need to make bold financial moves of their own. “The ‘borrow and spend’ paradigm that sustained families, towns, and even our nation is broken,” says Coleman. “With credit tight, consumers have to rely only on their earnings – something they’ve not had to do in decades.”

-more-

As the government enacts legislation to guide the economy out of a recession, Coleman believes American consumers must adopt a new vigilance in order to understand and take advantage of emerging opportunities. “Just as buy and hold no longer works as an investment philosophy, consumers must make an effort to stay informed about how new policies enacted by Congress, the Federal Reserve, and the Treasury alter the playing field in order to make well-reasoned decisions.”

Coleman suggests positioning for the transitioning market environment by considering a number of tactical moves from including inflation hedges in portfolios to pursuing other strategies. The key, Coleman says, is to remain nimble in order to react quickly, when necessary, to market opportunities and stay informed about new federal programs. For example, the government’s Car Allowance Rebate System (CARS), or Cash for Clunkers program, came and went before many consumers were informed enough to take advantage of it.

“While the dollar value of these rebates, including the upcoming rebate on energy efficient appliances, may be relatively small, I still recommend paying attention to and taking advantage of these programs,” says Coleman. For example, someone in the market for a first home can take advantage of the American Recovery and Reinvestment Act of 2009 which authorizes a tax credit equal to 10 percent of the home’s purchase price up to a maximum of \$8,000 for qualified first-time home buyers before December 1, 2009. Income limitations apply. For more information on the program, consumers should visit <http://www.irs.gov/newsroom/article/0,,id=206293,00.html>.

In addition to stimulus programs that can provide advantages for consumers, there is a rule regarding Individual Retirement Accounts (IRA) distributions to charities which are able to be excluded from income. In other words, an investor, 70 ½ or older can transfer up to \$100,000 from an IRA directly to an eligible charitable organization tax-free. This provision is coming to an end and will not apply to any distributions made in taxable years after December 31, 2009.

Coleman believes it’s never too early to begin tax planning. “If an investor wants to create a nontaxable retirement income stream but is currently prohibited because of a modified adjusted gross income (MAGI) over \$100,000, he or she should consider converting a traditional IRA to a Roth IRA in 2010,” Coleman advises. “In 2010 a provision in the Tax Increase Prevention and Reconciliation Act of 2006 will allow those with modified adjusted gross income over \$100,000 to do a conversion.” Restrictions, penalties and taxes may apply. Unless certain criteria are met, Roth IRA owners must be 59 ½ or older and have held the IRA for 5 years before tax-free withdrawals are permitted.

-more-

About Jim Coleman

Jim Coleman has been in the financial services industry for over 20 years. He founded Coleman Financial Advisory Group, voted “The Best Financial Advisor of Greater Waterbury for 2008 and 2009”. Coleman specializes in providing comprehensive financial planning, asset management and estate planning services. He holds a degree from Northeastern University, in Boston, with a double major in finance and marketing. He is a member of the Financial Planning Association and is the President of the Connecticut Chapter of the Society for Financial Awareness.

Coleman’s passion is finding solutions to financial problems and further educating his clients and the community. Listeners in Connecticut rely on Coleman to deliver sound, accurate financial advice as host of *All About Money*, a radio talk program. He writes a financial planning column for a local newspaper, the *Prospect Pages*, and recently authored a book titled *Educated Investing: Your Guide to Surviving and Thriving in the Fast-Paced Global Markets of the 21st Century*. Visit www.ColemanAdvisoryGroup.com to learn more.

###

NOTE:

When you need an experienced professional to speak on complicated financial topics in a clear and concise manner, call Jim Coleman at Coleman Financial Advisory Group.

Securities America and its representatives do not provide tax advice. Tax law is subject to frequent change and any tax information provided here is merely a summary of our understanding and interpretation of some of the current income tax regulations and is not exhaustive. Please consult your tax advisor for advice specific to your situation prior to undertaking an investment plan

Securities offered through Securities America, Inc. Member FINRA/SIPC. James Coleman Registered Representative. Advisory services offered through Securities America Advisors, Inc. James Coleman Investment Advisor Representative. Securities America and Coleman Financial Advisory Group are not affiliated.

The "Best of Greater Waterbury" award was determined by survey responses sent in by readers of The Observer newspaper for the months of March and April in 2008 and 2009.

SOURCE: Written by Jim Coleman, Securities America, Inc. Registered Representative, in conjunction with Impact Communications.

AdTrax #101517