

antique



THE ROSS REPORT

Greetings!

Greetings!



Welcome to "The Ross Report", a monthly newsletter designed to provide you with tips and updates so that you can "Live Well" during your retirement years.

Please feel free to forward this FREE newsletter to any of your friends and relatives who you believe might find the information within helpful.

And if for some reason, you would no longer like to receive this newsletter, it's really easy to take your name off the list at the bottom.

Enjoy reading!

Don

Opening Thoughts

Banking Alert

bank



We are already up to 50 failed banks this year...

Donald L. Ross

Visit our website @
www.rosswealthadvisors.com

Or call us @ (614) 545-0277
1 (877) 545-0278

fax (614) 459-9099

Or visit our offices

Ross Wealth Advisors

5005 Horizons Drive
Suite 100
Columbus, OH 43220

NEW Circleville Location

130 W. Franklin Street
Circleville, OH 43113

In This Issue

Opening Thoughts

Planning Tips

Planning Tips

Article Headline

[Join our Mailing List!](#)

For those of you who have been following me for a while, you know that I watch what's going on with the banking system pretty closely. This past Friday evening, the FDIC announced more bank failures bringing the total for the year up to 50.

Last year, in 2009, we had a total of 140 bank failures. This year, we are projected to exceed 200. At this point, the FDIC has mentioned that there are currently over 700 banks on the "Problem List".

The problem list is a list of those banks who have to improve their finances or they will fail as well. Don't ask me to tell you where to go to get this list, as it is not made public. Just imagine if it was, there would be a depression era type bank run!

So why are banks starting to really drop like flies? What's going on here?

The problem is the mortgage industry. Some reports are indicating that the banking industry still has over 5 million homes to foreclose on.

People don't have jobs, so they can't pay their mortgages. Or they are sitting on a home that is worth far less than they owe, so they are choosing to not pay their mortgage and let it go (or do a short sale).

This leaves the banking system holding the bag. And it's a bag that many banks simply can't handle.

Expect this to be a bigger story as the year goes on. And it may very well continue well into 2011.



Planning Tips

1040

Can Income Tax Increases Close Our Deficit?



The answer may shock you...

A couple weeks ago, the Tax Foundation (www.taxfoundation.org) came out with a great article on where income tax rates would need to be in order to eliminate the Federal Deficit. This article makes for great reading as it clearly illustrates the degree to which our Government is spending money compared to what it's bringing in.

If you would like to read the article in full, then click [here](#). On the other hand, if you would like a recap, read on...

Based on their analysis along with that of the IRS, here's what your new tax rate would be if we chose to increase taxes in order to pay off the Federal Deficit:

<u>Current Rate</u>	<u>New Rate Required</u>
---------------------	--------------------------

10%	24.3%
15%	36.4%
25%	60.6%
28%	67.9%
33%	80.0%
35%	84.9%

Imagine if you had to pay tax based on the rates required to pay off the deficit! Many retirees will carefully track their income in order to stay in the 15% tax rate today. Just imagine if that 15% tax rate suddenly shifted to 36.4%!

This is also why all this talk of just taxing the rich to fix our budget problems won't work. Our Government spending is so out of control that they've created a deficit that's just too big for just one portion of our population to handle. This is a problem that will affect us all.

Now you and I both know that our elected officials are not going to increase tax rates to the levels above. They would lose the next election so fast their heads would spin.

But do you believe that they would be willing to increase tax rates to some degree? Or maybe a better question would be if you believe they would be willing to let a past program, like the Bush tax cuts, expire?

Letting current programs expire allow Congress to effectively raise taxes without actually having to vote to do so. Next week, I'll share with you what your tax rate will look like in 2011 and beyond if, as expected, Congress allows the Bush tax cuts to expire.

If you would like to talk to me about anything discussed above, please feel free to call our office at (614) 545-0277. Linda will be happy to schedule either a phone call or in-office visit!

Planning Tips

whitehouse

Healthcare Has Been Passed



Now, what does it mean to you and your nest egg...

All over the news lately, and especially this morning, is that the Healthcare Bill is pretty much passed and done at this point. So what does this mean to you and how will it affect your nest egg?

So far, the best article I've seen on this topic as to what the bill contains is from CBS News and can be read by clicking [here](#).

We all have our opinions as to whether or not this bill should have been passed. Regardless of where you stand on this issue, a couple of things are crystal clear, and you need to understand how they impact your nest egg.

1. Actual costs will far exceed the estimates.

Have you ever seen a Government program come in either at or under budget? You are completely fooling yourself if you think this law will only cost \$940 Billion. History tells us that we can expect it to cost at least three times this number.

2. Health Insurance premiums will rise significantly and do so very quickly.

Congress is telling insurance companies that they now must increase who they cover and what they cover. Guess what, that costs more money in the real world. These cost increases will impact each and every one of us.

3. The costs of this bill are very small compared to the problems of Medicare.

According to www.usdebtclock.org, Medicare is underfunded right now by almost \$75 Trillion and the prescription drug program is almost \$19 Trillion underwater. Combine the two, and you find these programs between \$93 Trillion and \$94 Trillion short.

The new bill is projected to cost about \$1 Trillion, likely closer to \$3 Trillion when all is said and done. Either way, it's peanuts compared to the financial condition of our current Government healthcare system.

4. Government over spending will slam the economy, along with your nest egg.

According to the Tax Foundation, tax rates would have to DOUBLE to balance the budget (click [here](#) to read their report). And that doesn't do anything to fix the Social Security, Medicare and Drug Prescription Program mess.

Our Government's fiscal irresponsibility is so bad, that the head of the Government Accountability Office, David Walker, gave up trying to talk to politicians and moved on to carry his message to public through the Peter G. Peterson Foundation (www.pgpf.org).

The bottom line is that Congress is giving us more of the same which will lead to significant economic problems and stock market challenges. Is your nest egg protected?

If you would like to talk to me about anything discussed above, please feel free to call our office at (614) 545-0277. Linda will be happy to schedule either a phone call or in-office visit!

The Lighter Side

comic4/20/10

About Don Ross

Don Ross is an experienced financial advisor, assisting clients with retirement and estate planning needs since 1987. An Upper Arlington, Ohio native, Don is a devoted father and active member of his church and community. He recently retired from the military after many years of service as a pilot in the Ohio National Guard.

You can reach Mr. Ross at his office in Upper Arlington at (614) 545-0277 or by e-mail at don@rosswealthadvisors.com. We have recently added an 877 line which can be used nationwide, 877-545-0278. We also have added an office in Circleville, OH. The new address is 130 W. Franklin St., Circleville, OH 43113.

Please feel free to visit our website: www.rosswealthadvisors.com

**Investment Advisory Services offered through Global Financial Private Capital,
LLC, an SEC Registered Investment Adviser**

[Forward email](#)



This email was sent to marcus@advisorsexcel.com by linda@rosswealthadvisors.com.
[Update Profile/Email Address](#) | Instant removal with [SafeUnsubscribe™](#) | [Privacy Policy](#).

Email Marketing by

