FEBRUARY 2025 VOLUME 2

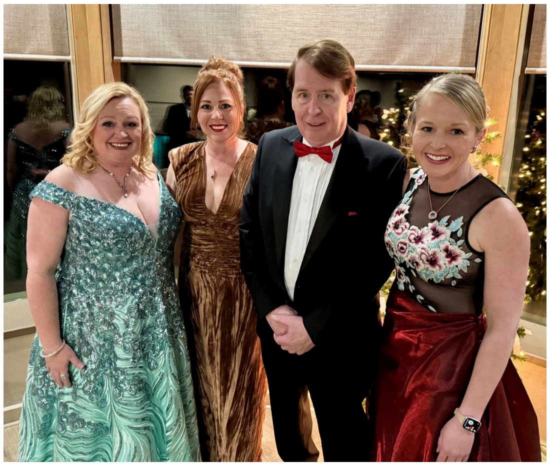
BOGGS & COMPANY
WEALTH MANAGEMENT

BUILDING OPPORTUNITIES GUIDING GENERATIONAL SUCCESS

MONTHLY FEATURES

Welcome to the February edition of the Boggs & Company Wealth Management newsletter! We're excited to share valuable insights and resources to help you navigate your financial journey. This month's newsletter is packed with important information, including a timely blog post discussing the implications of recent tariffs and our “In Case You Missed It” section is packed full of updates. You'll also be introduced to two of our newest team members!

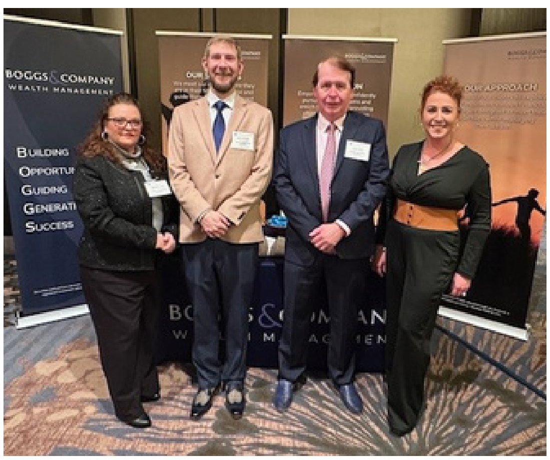
IN CASE YOU MISSED IT



Snow Ball Success: A Million Reasons to Celebrate!

The Boggs family is celebrating a milestone – the WMHS Auxiliary's $1 million pledge completion for the Center for Hope and Healing, made possible through events like the Snow Ball! A fantastic night supporting a great cause! The Boggs family is proud to support the WMHS Auxiliary and their dedication to the Center for Hope and Healing.

Pictured Left to Right: Dagenais Boggs, Mirjhana Buck, Larry Boggs, Koosie Boggs



PACE Reception: A Voice for Western Maryland

Positive Attitudes Change Everything! They truly do. Last month, we were pleased to be a Platinum Sponsor of the annual PACE Reception. This important event provides a valuable opportunity to connect with Maryland's political leaders and advocate for the specific needs and requests of Allegany and Garrett Counties.

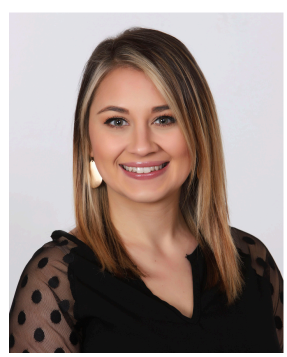
Pictured Left to Right: Michelle Lucas, Chris Webster, Larry Boggs, Mirjhana Buck

Come and be a part of our community!

From local events to impactful projects, our **Community Engagement** website page showcases the spirit that unites us. Explore our community initiatives and ask yourself how you can get involved!

Scan QR Code

Sending Birthday Joy



We would like to wish all of our February-born team members a very happy and joyous birthday celebration! We extend a birthday shout-out to **Rachelle and Andrew,** who will be celebrating their special days this February! We are wishing you the happiest of birthdays, Rachelle and Andrew!

IN CASE YOU MISSED IT

Introducing Ed Lytle!

With over 25 years of experience in the financial industry, Edward Lytle has built a reputation as a trusted advisor to individuals, families, and small businesses in the Tri-State area (MD, WV, PA). His career began in 1993 with Woodmen of the World, where he quickly recognized that true financial success isn't just about what you earn—it's about what you keep after taxes. This insight led him to focus his career on mastering income strategies, retirement planning, gift and estate taxations, qualified plans, and charitable giving, all with an eye on how these elements intersect with investment strategies.

Edward's extensive background spans various sectors of the financial industry, including investments, insurance, and real estate. After being trained as a life insurance specialist at Woodmen of the World, he joined New York Life in 1999, where he expanded his expertise and product offerings. In 2001, he took on the role of growing M&T Bank's investment program in Garrett County, MD, where he continued his education and built a broad range of financial knowledge.

In his pursuit to offer more personalized and independent financial services to his clients, Edward founded ERL Financial Services, LLC. As the founder of this full-service, independent firm, he worked to offer a broader range of solutions that cater to each client's unique financial needs. Edward is a registered representative with LPL Financial LLC, holding Series 6, 7, 24, 63, and 65 licenses, which allow him to provide a wide variety of investment strategies.

Throughout his career, Edward has maintained a client-first approach, emphasizing strong relationships and tailored advice. His commitment to his clients is evident in his focus on navigating the complexities of today's ever-evolving investment climate.

Ed will be joining the Oakland/McHenry office with Patsy. Ed's thoughtful approach to business is why we know he'll make an incredible member of the Boggs and Company Team.

365 Days of Dedication, Growth, and Gratitude

Congratulations to Andrew on his 1-year anniversary as a Wealth Advisor and Director of Financial Planning at Boggs and Company Wealth Management! Andrew's dedication, expertise, and commitment to excellence have made a significant impact on our team and clients. Here's to many more successful years ahead!

THE IMPACT OF RECENT TARIFFS ON U.S. CONSUMERS

Recently tariffs were placed on Mexico, China, and Canada. The United States imposed a 25% tariff on imports from Mexico and Canada with a reduced 10% tariff on Canadian energy. China received a 10% tariff imposed on imported goods to the U.S. However, the tariffs imposed against Mexico and Canada were paused for 30 days after a deal was made with the nations' leaders who agreed to beef up security along the northern and southern borders.

What is a tariff?

According to the International Trade Administration, a tariff is a tax imposed by governments on the value including freight and insurance of imported goods.

Why does the government impose tariffs?

Governments impose tariffs for several reasons. These include:

- **Generate revenue**
  - Tariffs help the government earn money. Before the creation of the federal income tax in 1913, tariffs were a significant form of revenue.
- **Help domestic industries**
  - Tariffs help to safeguard domestic companies from international competition. Tariffs particularly help startups gain traction as more than 20% of them fail after a year.
- **Put pressure on other countries**
  - Tariffs can be used as leverage on immigration and the continued war on drugs by putting pressure on other countries to self-police.
- **National security**
  - Tariffs may be placed on industries involved with segments of the U.S. economy that produce products essential to our national defense.

How do tariffs impact regular consumers?

The impact tariffs may have on regular consumers could mean temporary price increases and lower supply availability until production in the U.S. increases to make up the difference. Consumers don't pay tariffs directly; however, they are touched by the increase in the cost of transporting goods to their final destination in retail price hikes. Economists have forecasted that this could be the outcome for a while after the tariffs go into effect. Some of the industries impacted by the tariffs include clothing, produce, auto parts, and liquor coming from Mexico, computer chips, plastics, and textiles from China, and lumber and oil from Canada.

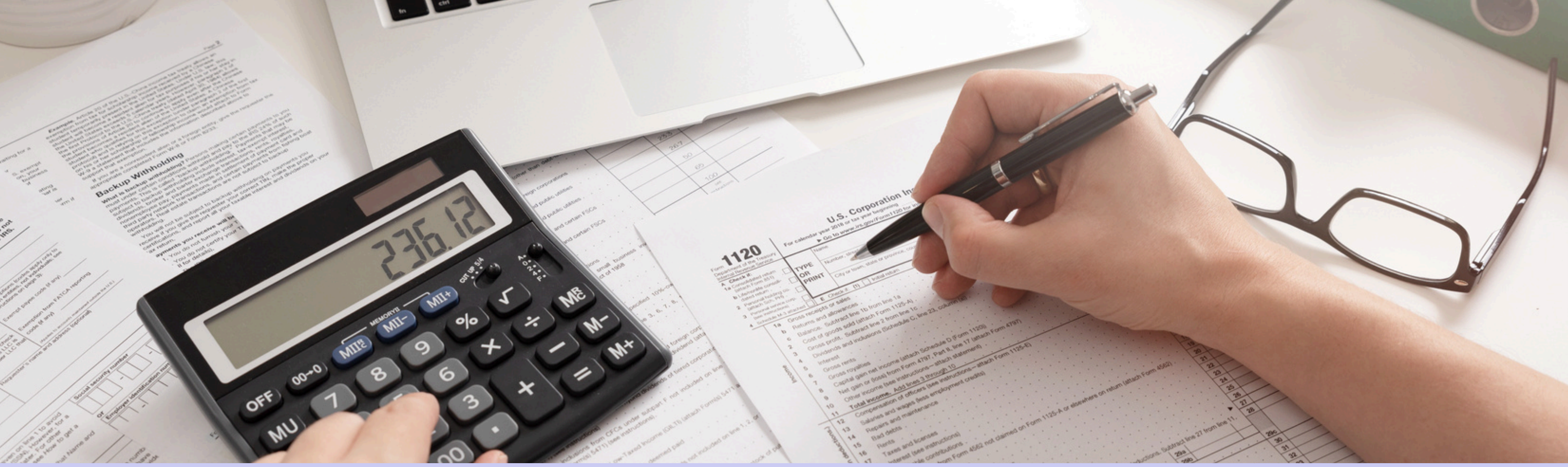
According to a report by the Associated Press, chief economist at the tax and consulting firm, Gregory Daco, believes inflation could see an increase of at least 0.4 percentage points this year, therefore driving the economy down by around 1.5%. This translates to the tariffs costing the average American household about $1,000 to $1,200 in annual purchasing power as estimated by the Budget Lab at Yale University.

Do you have concerns?

If you are concerned about the volatile markets and how these tariffs may impact you personally, schedule an appointment with us to discuss strategies you can take to try and lessen the effects of the tariffs trickling down to you and your financial goals. Don't wait. Make an appointment today!

Sources

What are tariffs, and why does Donald Trump want them?
How tariffs on Canada, China and Mexico may impact U.S. consumers
Import Tariffs & Fees Overview and Resources
What Are Common Reasons for Governments to Implement Tariffs?
President Donald Trump agrees to pause tariffs on Mexico and Canada | AP News



DOLLAR LIMITS FOR QUALIFIED RETIREMENT PLANS

Here are the dollar limits for 2025 and how they've changed in the last year. As always, if you need any assistance, please contact us at info@boggsandcompany.com or by calling (301) 798-7669.

	2024	2025
Defined Contribution Plans - Annual additions limit for defined contribution plans [IRC Sec. 415(c)]	$69,000	$70,000
Defined Benefit Plans - Annual benefit limit for defined benefit plans [IRC Sec. 415(b)]	$275,000	$280,000
401(k) - Annual limit on deferrals [IRC Sec. 402(g)]	$23,000	$23,500
Plus: age 50+ catch-up	$7,500	$7,500
Plus: special age 60-63 catch-up	N/A	$11,250
403(b) - Annual limit on deferrals [IRC Sec. 402(g)]	$23,000	$23,500
Plus: age 50+ catch-up	$7,500	$7,500
Plus: special age 60-63 catch-up	N/A	$11,250
Salary Reduction SEPs (SARSEPs) - Annual limit on elective deferral [IRC Sec. 402(g)]	$23,000	$23,500
Plus: age 50+ catch-up	$7,500	$7,500
Plus: special age 60-63 catch-up	N/A	$11,250
Annual Limit on Elective Deferrals to 457 Plans-[IRC Sec. 457(b)(2)(c)(1)]	$23,000	$23,500
Plus: age 50+ catch-up	$7,500	$7,500
Plus: special age 60-63 catch-up	N/A	$11,250
Maximum Annual Compensation - Amount of employee compensation that may be taken into account by plan formula (QRPs, 403(b), SEPs) [IRC Sec. 401(a)(17)]	$345,000	$350,000
Nondiscrimination Rules - For “highly compensated employees” [IRC Sec. 414(q)(1)]	$155,000	$160,000
Annual Compensation Subject to SEP Discrimination Rules [IRC Sec. 408(k)(3)(c)]	$345,000	$350,000
Compensation Threshold for SEP Participation - [IRC Sec. 408(k)(2)(c)]	$750	$750
Annual Limit on Elective Deferrals to SIMPLE Plans - [IRC Sec. 408(p)]	$16,000	$16,500
Plus: age 50+ catch-up	$3,500	$3,500
Plus: special age 60-63 catch-up	N/A	$5,250

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