



FINANCIAL
ENHANCEMENT
GROUP, LLC

Consider This Program: December 8th, 2020

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In this week's episode, we will cover:

- What to know about the Mega Roth strategy
- Why gold is so controversial
- The six amazing wonders of the retirement world
- The keys to a successful retirement

Are You Missing Out On The Mega Roth?

The Mega Roth is not designed for everyone. It is intended for people who are self-employed and have standalone businesses with no employees. Under the rules and regulations, there is money that you can put into another program; it just cannot be tax-deferred. Why would you want to do that? You can put money into the other plan, and that money can go directly to a Roth IRA. You can effectively put as much as \$30,000 in a Roth IRA, hence the word MEGA! Not all plans have a Roth option. The best way to understand a 401(k) is through the Department of Labor (DOL) rules. Your company plan can be anything that it wants, as long as it is inside of the DOL rules. The Mega Roth strategy works best for people with a higher income.

Is Gold Considered A Kryptonite In The Investment World?

Gold has a fascinating history. The value of our dollar was based on what the price of gold was. In the Nixon regime, all the gold was taken away. There's a lot of inadequate information about how gold reacts to portfolios and inflation. People who sell gold on the radio will tell you that we are in a recession and gold is a protector. However, it's not necessarily an accurate statement. People believe that gold is recession-proof; it's debatable. Joe says to buy cigarettes and whisky bottles if you think things are going to get that bad. People will always trade food for alcohol and cigarettes. In the middle of a serious crisis, people are not going to want gold. You can watch the price of gold change as the economy changes. There is a limited supply of gold, and there's a massive amount of demand for gold. So, the price goes up. It's no different than corn. When demand for gold falls, then the price for gold falls.

Is Bitcoin The New Fiat Currency?

When Bitcoin first started, big banks laughed. Now, we are at the point where China announced they are going to have their own cryptocurrency. The Federal Reserve is also looking to form its own cryptocurrency. Bitcoin may decrease the utilization of the cash.

The Six Amazing Wonders Of The Retirement World

Your employer retirement match.

- The employer will put money in based on your contribution level.

- Always take free money.
- The money that your employer puts in has to be in the tax-deferred part.

Step-up in basis.

- If you have something that has appreciated in value and you die, then your heirs do not have to pay taxes on the growth that you have. This does not include retirement accounts.
- Typically, this is for houses, buildings, farmland, and stock portfolios.
- An appraisal is required.

Employee stock options.

- Not everyone gets stock options.
- If you have the option, it's fantastic, primarily if you work for a growing company.
- It puts you on the same team financially as your employer.

Health Savings Account (HSA).

- The health savings account is better than a Roth IRA if used correctly.
- The government lets you put money into an HSA. That money will grow tax-free as long as you're using it for medical expenses. You can use it for anything that you need medically.
- It's another place to accumulate money for retirement.

Roth IRA.

- In the Roth, you put money in, and you never have to pay taxes.
- If you want to get the contributions out, you are always eligible without any taxation.

Compound interest.

- Joe says this should really be the first wonder of the retirement world.
- Set aside your money and invest it, so it compounds over many years.
- "Compound interest is the 8th wonder of the world. He who understands it, earns it; he who doesn't, pays it." -Albert Einstein

The Keys To A Successful Retirement

The ability to delay gratification is one key to retirement. Learn to live on less to maintain the same level of happiness. Another key to a successful retirement is avoiding FOMO. Two emotions drive the market, fear, and greed. Fear will always trump greed. You need to know how to respond to the market rather than react to the market. There needs to be structure when you deal with the volatility of the market. Life is too short to live it around money. Instead, figure out how much money you can spend to enjoy life.

Financial Tidbits

- *"If you qualify for a Roth IRA contribution, your income must be below a certain level."* -Joe
- *"People will trade bread for whiskey and cigarettes in a crisis."* -Joe
- *"At the end of the day, price tells everything."* -Joe
- *"Look for things that will preserve and ultimately grow wealth."* -Joe

In This Episode:

- [4:00] What to know about the Mega Roth strategy
- [16:55] Is gold considered a kryptonite in the investment world?

- [22:45] Is Bitcoin the new fiat currency?
- [30:20] The six amazing wonders of the retirement world
- [44:10] The keys to a successful retirement

Links Mentioned:

- [Breath: The New Science of a Lost Art](#)

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