

Money Lessons from My Grandmother - Take It!

Did your grandparents have a profound impact on you and your outlook on life? For many of us, our grandparents' age and wisdom gave an authority that sometimes surpassed our parents' input. My grandmother was no exception. When she spoke, everyone listened!

My grandmother was a businesswoman. I'm guessing she ran a pretty tight budget. She ran a small beauty salon in her home for many years. Her lady friends would come and visit to get their hair done (or to get it "did" as the kids say now). While they were getting coiffed, Grandmother's clients would read the National Enquirer and talk about the happenings of Deep Creek, Virginia.

In this hair salon there were two magical contraptions that any elementary-aged child could not resist. One was the spinning chair. My cousins and I spent hours and hours spinning each other around until we were so dizzy that we could not even stand up! We also had unfettered access to the hairdryers. These were the "beauty salon" chairs with dome hoods you sit under while your perm processes. To the ladies coming to see Grandmother, these were cones of silence. But to us, they were space helmets built into the seats of our rocket. As young astronauts, we took countless trips to the moon and Mars as we pulled down those "helmets" and blasted off.

Even though grandmother let us play on her fun chairs, she also made it *very* clear what she did like and what she did *not* like. One thing she did not like was for men to have long hair. Whenever I came to visit she would gladly offer to cut my hair. One time after the haircut, she handed me a five dollar bill and said, "*Here you go. Thank you for letting me cut your hair.*" Confused as to why she would pay *me*, I said to her "*But Grandmother, you did me a favor. Why are you paying me?*" She looked at me, smiled, and said, "*David, when somebody who cares about you offers you money, you smile, say thank you and you **take the money.***"

So what does any of this have to do with financial planning?

The answer is really quite simple: Corporations, your employer, and the government (yes, *the government!*) are offering you money, but many either refuse to take it, or do not know it is available.

Perhaps your employer offers a 401(k) with the company match, but you do not think you are in a position right now to set aside enough money to earn the match. I strongly believe that anyone, regardless of income level, can set aside at least 3% or 4% of their salary in order to earn a company match. Grandmother would say, **“When your employer offers you money, you take it!”**

Our good old friend Uncle Sam offers us money all the time, but many of us still refuse to take it. Health savings accounts have gained in popularity in recent years, yet many people are not aware of the huge tax benefits these programs can offer. Let’s do the research. **Let’s take the tax savings!**

Many folks near (or in) retirement have huge tax opportunities by making the most of Roth conversions, IRA distribution planning, or by implementing thoughtful charitable giving strategies. The government has offered up the ability to use the strategies. **It’s time to smile, say thank you, and take it!**

Business owners: With the recent tax changes, there are several planning opportunities built around maximizing the Qualified Business Income (QBI) deduction. You should explore these options with your professional advisors. **Smile and take the tax savings!**

There are numerous other opportunities to save money or to take savings that are available to you: 529 college savings plans, credit card reward programs...I could go on and on. Let’s stop refusing these opportunities. **Instead, let’s smile, say thank you, and take them!**

For our list of common tax strategies for retirees, [click here](#)

We’ve got good news! Larson Wealth Management is accepting new clients. We are always honored to meet new folks and discuss what is really important to them. To schedule a meeting, please [click here](#)

This information is not intended to be a substitute for specific individualized tax advice. We suggest that you discuss your specific tax issue with a qualified tax advisor.

Traditional IRA account owners should consider the tax ramifications, age and income restrictions in regards to executing a conversion from a Traditional IRA to a Roth IRA. The converted amount is generally subject to income taxation.

Prior to investing in a 529 plan investors should consider whether the investor's or designated beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's qualified tuition program. Withdrawals used for qualified expenses are federally tax free. Tax treatment at the state level may vary. Please consult with your tax advisor before investing.