

April Commentary

April 14, 2020

We hope that this finds you and your family doing well. We have received several questions about the CARES Act and below are some of the main portions.

Extended Deadlines for Tax Returns and IRAs

- The federal deadline for filing your 2019 tax return and for making 2019 IRA and Roth IRA contributions has been extended to July 15th.

No Required Minimum Distributions (RMDs) for 2020

- There are no IRA Required Minimum Distributions (RMDs) for 2020. This waiver also applies to Inherited or Beneficiary IRAs.

Possibly Avoid Early IRA Withdrawal Penalties

- If you are under the age of 59 ½, you may be able to withdraw funds from your IRA without the 10% early distribution penalty by December 31, 2020. The distribution must "qualify" as a coronavirus hardship.
- To "qualify" you or your spouse must test positive for COVID-19 or suffer "adverse financial consequences" due to the coronavirus. ***We advise that you proceed with caution before taking a distribution.***

Dave and I want to reassure you that we will continue to monitor your accounts to navigate through these volatile and unusual times. We've been through difficult markets before and we will use our experience and insights to get through this event.

Although it is tempting to make changes to your portfolio in times like these, overall we have been advising our clients to sit tight. Although the markets may continue to be choppy until there is more clarity, investors that were scared out of stocks and missed the bounce that occurred over the past few weeks will find it difficult to make up.

We are working daily during this pandemic and we can always be reached by email or cell phone.

Wishing you good health!

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