

In this user guide, we will demonstrate how to enter Qualified Medical Expenses and Expense Gifts.

1. From the Clients tab, click **Facts**.

**Net Worth**  
\$4,062,608  
as of today

▲ \$60,767 this month    ▲ \$501,860 since Dec 2013

**Investments**  
\$3,092,608  
as of today

▲ \$79,810 this month    ▲ \$680,166 since Dec 2013

**Asset Allocation**

Equities	\$1,838,842.85	59.46%
Taxable Bonds	\$780,688.43	25.24%
Cash	\$224,699.31	7.27%
Other	\$190,000.00	6.14%
Tax Exempt Bonds	\$58,372.15	1.89%

	Cash	Holdings	Value	Today's Change
Assets Under Management			\$0	

No assets are under your management.

2. Click **Expenses & Taxes** then select **Add**.

**Expenses & Taxes**

	Starts	Annual Amount
<b>Living Expenses</b>		
Current	Active	\$163,000
Retirement	When Jeremy is 65 (2018)	\$190,000
After Jeremy Passes	Jeremy's Death (age 100 in 2053)	\$190,000
<b>Liability Payments</b>		<b>Annual Amount</b>
529 Elder Wood Mortgage		\$29,088
<b>Insurance Premiums</b>		<b>Annual Amount</b>
Homeowner's Insurance		\$1,000
Jeremy LT Disability		—
Jeremy LTC		\$2,500
Jeremy ST Disability		—
Lorrie LTC		\$2,500
Survivorship Guardian Whole Life		\$1,500
<b>Tax Assumptions</b>		<b>Tax Rate</b>
Federal Taxes		Form 1040
State Taxes		0.00%
Local Taxes		0.00%

## 1 | Qualified Medical Expenses and Expense Gifts

3. Select **Other Goal/Expense**.

**Facts** Advanced

- FAMILY & FRIENDS
- FINANCIAL PRIORITIES
- GOALS
- NET WORTH
- INCOME
- EXPENSES & TAXES**
- SAVINGS & CONTRIBUTIONS
- ASSET ALLOCATION
- PROTECTION
- OBSERVATIONS & NEXT STEPS

**Expenses & Taxes** Add

**Living Expenses**

- Current
- Semi-Retirement When Luke is 60
- Retirement When Luke is 65
- Advanced Age When Luke is 85
- After Luke Passes Luke's Death (age 95 in

**Liability Payments**

- Home Mortgage \$32,208

Mortgage Loan

Education Goal

**Other Goal/Expense**

Life Insurance

Long Term Care Insurance

Disability Income Insurance

Business Disability Insurance

Property Casualty Insurance

Medical Insurance

4. Click the **Type** dropdown menu and choose **Qualified Medical Gift**.

Advanced

Add

Add Other Goal/Expense

**Name**

Other Expense

**Type**

Qualified Medical Gift

**Qualified Gift Recipient**

Luke Affluent

**Starts**

Calendar Year 2014

**Stops**

Luke's Retirement (age 65 in 2022)

**Annual Amount**

\$ 50,000

**Indexed At**

Inflation (3.71%)

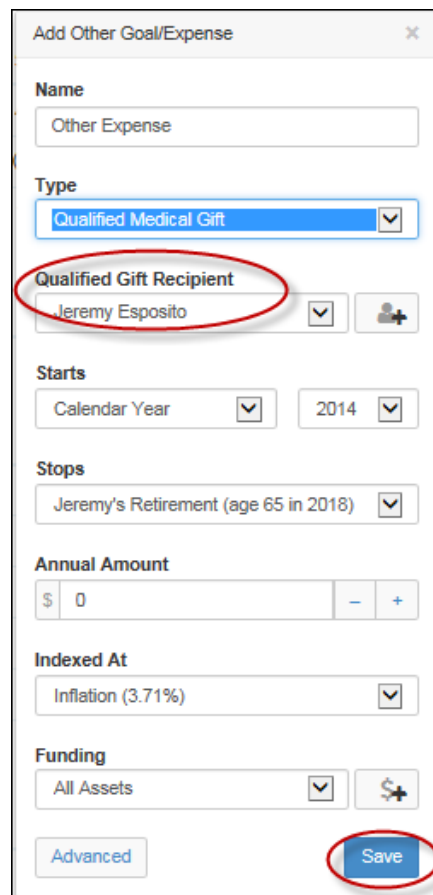
**Funding**

All Assets

Advanced Save

2 | Qualified Medical Expenses and Expense Gifts

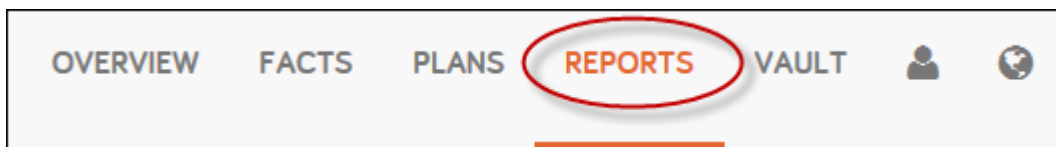
- Next choose the **Qualified Gift Recipient**. The system will automatically consider this gift to be non-taxable. Once all fields have been entered, click **Save**.



The screenshot shows a form titled "Add Other Goal/Expense" with the following fields and options:

- Name:** Other Expense
- Type:** Qualified Medical Gift (selected)
- Qualified Gift Recipient:** Jeremy Esposito (circled in red)
- Starts:** Calendar Year, 2014
- Stops:** Jeremy's Retirement (age 65 in 2018)
- Annual Amount:** \$ 0
- Indexed At:** Inflation (3.71%)
- Funding:** All Assets
- Buttons:** Advanced, Save (circled in red)

- To view the analysis, click **Reports** and choose any of the reports listed below.



### 3 | Qualified Medical Expenses and Expense Gifts

A few of the reports which can be used to verify the handling of the qualified medical gift are:

- a) Cash Flow /Total Expenses/Expense Flows
- b) Cash Flow – 5 Year
- c) Ledger/Gift Tax Events
- d) Gift Tax Report
- e) Multi-Generational Transfer Summary and Transfer Detail reports

7. To add a Qualified Education Gift: From Facts, click **Expenses & Taxes** then select **Add** and choose an **Education Goal**.

The screenshot shows the 'Facts' interface with a sidebar on the left and a main content area. The sidebar has a menu with 'EXPENSES & TAXES' highlighted. The main content area is titled 'Expenses & Taxes' and has an 'Add' button circled in red. A dropdown menu is open from the 'Add' button, showing options: Mortgage, Loan, Education Goal (circled in red), Other Goal/Expense, Life Insurance, Long Term Care Insurance, Disability Income Insurance, Business Disability Insurance, Property Casualty Insurance, and Medical Insurance. Below the dropdown, there is a table with columns for category, description, and value. The table has two rows: 'Living Expenses' and 'Liability Payments'. The 'Living Expenses' row has sub-rows for 'Current', 'Semi-Retirement', 'Retirement', 'Advanced Age', and 'After Luke Passes'. The 'Liability Payments' row has a sub-row for 'Home Mortgage' with a value of '\$32,208'.

Category	Description	Value
Living Expenses	Current	
	Semi-Retirement	When Luke is 60
	Retirement	When Luke is 65
	Advanced Age	When Luke is 85
	After Luke Passes	Luke's Death (age 95 in
Liability Payments	Home Mortgage	\$32,208

8. Enter in the basic information and click **Save**.

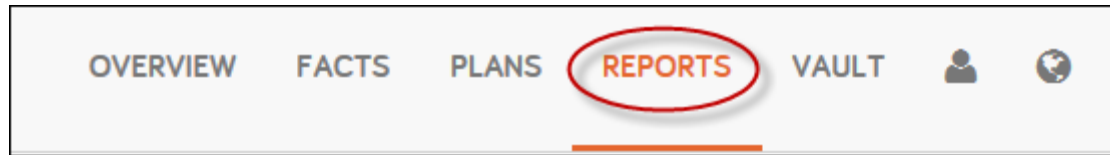
The screenshot shows a web form titled "Add Education Goal" with a close button (x) in the top right. At the top of the form is a button labeled "Advanced". Below it is a blue button with a minus sign and the text "Add -", which is circled in red. The form fields are as follows:

- Name:** A text input field containing "Education Expense", circled in red.
- For:** A dropdown menu showing "Luke Affluent" with a checkmark and a plus icon.
- Starts:** A dropdown menu showing "Calendar Year" and a date field showing "2015".
- Stops:** A dropdown menu showing "Calendar Year" and a date field showing "2018".
- Institution State:** A dropdown menu.
- Institution Name:** A dropdown menu.
- Annual Amount:** A text input field showing "\$ 0" with minus and plus icons.
- Indexed At:** A dropdown menu showing "Inflation (3.71%)".
- Funding:** A dropdown menu showing "All Assets" with a plus icon.

At the bottom of the form are two buttons: "Advanced" on the left and "Save" on the right.

**Note:** The system will treat the education expenses for client, spouse or children as a regular expense vs. a qualified gift. If the expense is for a grandchild or great grandchild, then it will be automatically considered a qualified gift.

9. To view the analysis for and Educational gift, click **Reports**.



A few of the reports which can be used to verify the handling of the Education Gift are:

- a) Cash Flow /Total Expenses/Expense Flows
- b) Cash Flow – 5 Year
- c) Ledger/Gift Tax Events
- d) Gift Tax Report
- e) Multi-Generational Transfer Summary and Transfer Detail reports

Note: The Multi-Generational Transfer Reports will reflect both qualified medical and education gifts.