



Registered Investment Advisor Firm

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Scam Alerts

As the public's demand about the pandemic remains high, criminals are seeking to take advantage, turning common information searches into information theft. Beware of the latest activities and implement caution.

Outbreak Maps. Malicious actors have begun spreading malware through online maps claiming to track the virus impact. As users visit the sites or click the link, they are exposing usernames, passwords, credit card numbers, browsing history or other non-public personal information that is then exploited by the attacker or sold to other criminals on the dark web.

Email Campaigns. Criminals are also leveraging common forms of fraud like spam email campaigns, using infected attachments or downloads to gather information.

Charitable Giving. Scammers may pose as clients claiming to need funds for charitable contributions or expenses related to the virus.

Job Fraud. Crooks find potential victims using online search tools to look for resumes of job seekers. They are contacted by email or professional networking sites about what sounds like the job of a lifetime and even given a check to cover expenses – just wire money back or send a gift card to cover fees. Later you figure the check is fake. Real jobs don't come at a cost (actual recruiters are paid by the business).

Census Scams. Imposters pretend to be census takers. A fake census worker shows up at your door, or you are contacted by phone, mail or email and are asked for your social security number or credit card information. The Census Bureau will never ask for social security numbers, solicit donations or threaten you with arrest if you don't cooperate. Census takers carry government IDs. For information, visit [2020census.gov](https://www.2020census.gov).

Election Scams. Scammers send out fake ads as political action committee or pose as pollster or campaign volunteers. Phone, email or social media posts are utilized for them to pretend to be a

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legitimate fundraiser to trick you into giving them your credit card number or sending a “donation” by gift card or wire transfer. Don’t donate to candidates from an unsolicited pitch. Reach out directly to those you support.

Medicare Cons. Crooks will tell you that you can get a free DNA swab test for cancer, or medical devices or services. Usually by phone or email, or door-to-door knocking offering tests in return for a Medicare number. Never give your Medicare number to anyone but a trained medical professional.

COVID-19 Cons. Scammers send you an email offering a coronavirus vaccine or access to critical medical equipment. Some emails ask for your credit card information, then bill you for products that never arrive. Others include a link that will install malware to steal your passwords. Visit government health agency websites for updates. Be wary of emails during a crisis. There is no COVID-19 vaccine. Don’t respond to texts, emails or calls about checks from the government. The government will not call you and won’t ask for bank information, nor will the World Health Organization (WHO). The Federal Communication Commission (FCC) has a portal of COVID-19 consumer warnings and safety tips complete with recordings of actual scams.

Robocalls. Scammers are using illegal robocalls to pitch everything from

lowpriced health insurance to work-at-home schemes and student debt relief. Watch for emails claiming to be from the CDC or WHO. Here are the latest legal sites: [coronavirus.gov](https://www.cdc.gov/coronavirus)
[usa.gov/coronavirus](https://www.usa.gov/coronavirus)

CARES (Coronavirus Aid, Relief and Economic Security) Act Highlights

RMDs. All Required Minimum Distributions (RMDs) from 401(k), 403(b) and IRA accounts are waived for 2020. You don’t have to take them, which in turn will reduce your 2020 tax bill.

Stimulus Checks. The CARES Act provides for Economic Impact Payments (EIP) to American households of up to \$1,200 per adult for individuals whose income was less than \$99,000 (or \$198,000 for joint filers) and \$500 per child under 17 years old – up to \$3,400 for a family of four. Payments are primarily made by direct deposit to your bank account based on 2018 and 2019 tax returns. The IRS will generate payments for Social Security recipients who do not file tax returns, but they need to act by May 5th to quickly receive their full amount. Recipients will receive these payments as a direct deposit or by paper check, just as they normally receive their benefit.

Treasury is launching a web-based portal for individuals to provide their banking information to the IRS online, so that individuals can receive payments

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immediately as opposed to checks in the mail.

Check irs.gov/coronavirus for continuous updates.

The act offers financial support to American businesses and job creators so they can better support employees and be prepared to get back to business as soon as possible. Paycheck Protection Program (PPP) provides small businesses (less than 500 employees) with funds to pay up to 8 weeks of payroll costs including benefits. Funds can also be used to pay interest on mortgages, rent and utilities.

SECURE (Setting Every Community Up for Retirement Enhancement) Act Highlights.

Removes the prohibition on contributions to traditional IRAs by individuals who have reached the age of 70 with earned income.

Increased the age for RMD for IRAs from age 70 to 72 for individuals turning 70 in 2020 or later.

Eliminated the rules that allowed non-spouse IRA beneficiaries to “stretch” RMDs from inherited accounts over their own lifetimes. Instead, non-spouse beneficiaries must generally take all their assets from an inherited IRA within 10 years of the IRA owner’s death. There are some exceptions to the rule but I will not go into details at this time.

Tax Filing & Payment Deadline

Change. The 2019 Tax filing deadline and tax payment has been extended to July 15, 2020. You do not need to file an extension, but will need to file one by July 15th if you still can’t complete your return, but you will need to pay your estimated tax due, or suffer tax penalties if you don’t. If you make 2020 quarterly estimated payments, the first quarter (normally due April 15th) will be extended to July 15th, but the second quarter is still due June 15th. The third and fourth quarters due dates are unchanged. These dates are also applicable to California tax returns. Your contributions to your IRAs have also been extended to July 15th.

If you need help understanding scams, EIP or PPP or any other financial questions, contact me at (707) 648-2024.

FED Watch

As expected, The FED left rates alone at 0-.25% range.

The FED will use all its firepower to bolster the economy. This includes an open-ended and unlimited quantitative easing (QE) program, with purchases of Treasuries and other assets designed to keep interest rates low. The FED’s balance sheet has already surpassed its previous peak of \$4.5 trillion and will only go up. Expect long-term interest rates to stay below 1% for a while.

The FED will also, for the first time in its history, purchase corporate bonds

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from investment-grade firms, while offering bridge loans for as long as four years. Companies that tap into the central bank's credit facility can delay payments to preserve cash for up to six months, but can't buy back shares or pay dividends. The FED will buy corporate debt in the secondary market and US-listed ETFs, too.

In these challenging times the FED and Jerome Powell had a lot to say - will continue to purchase Treasuries and Mortgages "in amount needed" - will continue to offer large scale repo's - coronavirus is causing tremendous hardship

- measures to protect public health are causing sharp economic decline - the FED is using full range of tools to support the economy - weak demand & oil prices holding down inflation - household spending has plummeted - low rates alone can't spur economic activity
- manufacturing output likely will drop further
- the FED's purchases have improved market conditions - preserving flow of credit is essential for recovery
- supporting businesses and households will prevent long-range damage - significant decline in activity, employment in short-term - FED still has tools to support economy

So for now there is zero chance of a rate change for the rest of the year.

Next meeting:
June 9th and 10th.

[Castle Rock Wealth Management](#)

Castle Rock Wealth Management is a Hybrid Advisory firm servicing the needs of clients across the United States.

Castle Rock Wealth Management custodies some client assets at Charles Schwab & Co. Bob's office is located at 714 Marin Street, Suite #C, Vallejo, CA 94590. The telephone number is (707) 648-2024.

If you have questions or would like further information on this month's topics or any other financial or investment related subjects, please contact me by phone or through my email address at:
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