



Investment Solutions, Inc.

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For Your Information



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Pull Backs, Corrections, and Bear Markets

When the market drops, some investors lose the perspective that downtrends and uptrends are part of the investing cycle. When stock prices break lower, it's a good time to review common terms that are used to describe the market's downward momentum.

Pullbacks

A pullback represents the mildest form of a selloff in the markets. You might hear an investor or trader refer to a dip of 5-10% after a peak as a "pullback."¹

Corrections

The next degree in severity is a "correction." If a market or markets retreat 10% to 20% after a peak, you're in correction territory. At this point, you're likely on guard for the next tier.²

Bear Markets

In a bear market, the decline is 20% or more since the last peak.²

All of this is normal

Pullbacks, corrections, and bear markets are a part of the investing cycle. When stock prices are trending lower, some investors can second-guess their risk tolerance. But periods of market volatility can be the worst times to consider portfolio decisions.

Pullbacks and corrections are relatively common and represent something that any investor may see from time to time in their financial life, often several times over the course of a decade. Bear markets are much rarer. In fact, between April 1942 and April 2025, there have only been 14 bear markets.³

A retirement strategy formed with a financial professional has market volatility factored in. As you continue your

relationship with that professional, they will also be at your side to make any adjustments and help you make any necessary decisions along the way. Their goal is to help you pursue your goals.

Citations

1. TheBalanceMoney.com, 2025
2. Investopedia.com, August 6, 2024
3. FTPortfolios.com, 2025

Tax Efficiency in Retirement

Will you pay higher taxes in retirement? It's possible. But that will largely depend on how you generate income. Will it be from working? Will it be from retirement plans? And if it does come from retirement plans, it's important to understand which types of plans will be financing your retirement.

Another factor to consider is the role Social Security will play in your retirement. When do you plan to start to take Social Security benefits? If you have a spouse, when do they plan on taking benefits? It's critical to answer key Social Security benefits questions so you have a better understanding of how it will affect your taxable income.

What's a pre-tax investment? Traditional IRAs and 401 (k)s are examples of pre-tax investments that are designed to help you save for retirement. You won't pay any taxes on the contributions you make to these accounts until you start to take distributions. Pre-tax investments are also called tax-deferred investments, as the money you accumulate in these accounts can benefit from tax-deferred growth.

For individuals covered by a retirement plan at work, the tax deduction for a traditional IRA in 2025 is phased out for incomes between \$126,000 and \$146,000 for married couples filing jointly, and between \$79,000 and \$89,000 for single filers.¹

Keep in mind that once you reach age 73, you must begin taking required minimum distributions from a traditional IRA, 401(k), and other defined contribution plans in most circumstances. Withdrawals are taxed as ordinary income and, if taken before age 59½, may be subject to a 10% federal income tax penalty.

What's an after-tax investment? A Roth IRA is the most well-known. When you put money into a Roth IRA, the contribution is made with after-tax dollars. Like a traditional IRA, contributions to a Roth IRA are limited based on income. For 2025, contributions to a Roth IRA are phased out between \$236,000 and \$246,000 for married couples filing jointly and between \$150,000 and \$165,000 for single filers.¹

To qualify for the tax-free and penalty-free withdrawal of earnings, Roth IRA distributions must meet a five-year holding requirement and occur after age 59½. Tax-free and penalty-free withdrawals can also be taken under certain other circumstances, such as the owner's death. The original Roth IRA owner is not required to take minimum annual withdrawals.

Remember, this article is for informational purposes only and is not a replacement for real-life advice, so make sure to consult your tax, legal, or financial professionals before modifying your retirement strategy

Are you striving for greater tax efficiency? In retirement, it is especially important - and worth a discussion. A few financial adjustments may help you manage your tax liabilities.

Citations

1. IRS.gov, 2025

For Your Information

- We are open from 9:00 a.m. – 5:00 p.m. Monday through Thursday, and 9:00 a.m. – noon on Fridays.
- We are open during the lunch hour.
- We have a mail drop on the far north door of the building. If you have any information you would like to deliver after normal business hours please drop it off there.
- We are in the process of upgrading our phone system in January. When the upgrade is completed you will be notified of the following new numbers when you call our office:

Calling Long & Associates, P. C. 405-663-2918 will be upgraded to 405-776-0600

Calling Investment Solutions, Inc. 405-663-2916 will be upgraded to 405-776-0900

Fax Number 405-663-2126 will be upgraded to 405-776-0700

Dreams are the foundation of America.

**“The secret of happiness is freedom, the secret of
freedom is courage.”
— Carrie Jones**

★ H A P P Y ★

4th of July 

★ I N D E P E N D E N C E D A Y ★

Long & Associates, P.C.

Assisting you with accounting, tax preparation, and tax planning

Investment Solutions, Inc.

Advising you and creating strategies for investment and retirement planning

Benefit Resource Group, Inc.

Handling employee benefits and other business services

Whether you need one of these services, or all three, you'll work with the same professional, knowledgeable staff with our Comprehensive Solutions Program

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