



Donald W. Patrick
MBA, CSA, CFP®

NEWS

Contact: Donald W. Patrick, MBA, CSA, CFP®
Integrated Financial Group
(770) 353-6317
dpatrick@intfingroup.com

How Will the Democratic-Controlled House and Senate Affect Your Wallet?

Local Financial Advisor Predicts Changes in Monetary Policy, Other New Legislation

ATLANTA, GA (December 19, 2006) – With a new Democratic Congress and Senate being installed in January, many people are wondering what big changes are ahead “legislatively speaking.” Whatever legislative and policy changes occur, one thing is certain, Americans will have to keep a close eye on their money matters.

According to Don Patrick, a CERTIFIED FINANCIAL PLANNER™ professional and managing director of Atlanta-based Integrated Financial Group, big sweeping changes are unlikely, but the way in which money is handled may change. Here are three areas that could make money work a lot differently for you as the New Democratic House and Senate take office.

Paygo—Back in Fashion

The government has been a poor teacher of the concept that budgets need to balance. In the same way that consumers cannot spend limitlessly without regard to having to “pay the piper,”

- more -

so too should the government. With Democrats taking control of both chambers of the House, it's likely that the spending belt could be tightened. "A virtually foreign concept in the Republican-controlled House and Senate, the practice of 'paygo' could make a return now that Democrats are in control," says Patrick. Paygo is a model that requires a bill sponsor to either raise taxes or cut spending in another program in order to get that bill passed. "The return of paygo could mean that consumers will have to pay higher taxes, but the benefit is that we may get closer to a balanced budget than we have been in years," said Patrick.

Minimum Wage

The minimum wage has been a hot political topic for some time. Politicians have expressed concern over the ability of Americans to live on the minimum wage. According to Patrick, this is one of the areas where Democrats may focus attention.

"Historically, the Democrats have pushed to raise the minimum wage to make it a bit easier for average Americans to make a living," said Patrick. "However, while this can make politicians look like heroes, this is really just 'a headline issue' because it ultimately has little effect on people's well-being. According to the Employment Policies Institute, less than 1 percent of workers over the age of 25 work at the minimum wage."

Which Way Will the Tax Winds Blow?

The last time the U.S. tax system was significantly overhauled it was 1986. At that time, many of the deductions used to lower tax burdens were removed and taxpayers were handed what was essentially a two-tiered flat tax system, says Patrick.

According to Treasury Secretary Robert Rubin, the nation's fiscal problems cannot be solved without increased revenues. While *net taxes* could increase, there are several areas where taxes probably won't increase, Patrick says. "One area where taxes may remain the same until they sunset in 2010 is the tax on capital gains and dividends. While the House and Senate may attempt to raise these tax rates, President Bush has made it clear that he will veto such legislation," Patrick projects.

Patrick believes that there could be an increased attempt to make higher education more affordable. "It's likely that the Democrats may try to increase the number and amount of grants

available to low-income college students,” he says. “In addition, when college students need to take out loans to pay for their education, it’s likely that the Democrats may try to mandate lower interest rates on those loans.”

“Stalemate” is the operative word for the next two years. Patrick believes that neither the Democrats nor Republicans have a significant majority to effect great changes. However, the 2008 elections should be watched carefully.

About Don Patrick and Integrated Financial Group

Don Patrick, Managing Director of Integrated Financial Group in Atlanta, Georgia, has been serving clients as a financial advisor for over 26 years. Patrick earned his MBA from the University of Southern California. Undergraduate studies were completed at Loyola University Los Angeles in the areas of finance and economics. He served as a pilot in the U.S. Air Force, graduating first in his class. He is also a member of the Financial Planning Association, the nation’s largest organization of professionals dedicated to championing the financial planning process. He has completed additional studies and passed a rigorous certification examination and is authorized to use the CFP® mark of distinction. Integrated Financial Group, an independent financial planning consortium of advisors, delivers practical, effective financial solutions aimed at addressing the long-term financial planning needs of their clients.

For five years listeners in south Florida relied on Patrick to deliver sound, accurate financial advice as co-host of a radio talk program. He taught financial planning at Georgia State, North Metro Technical College and Gwinnett Technical College. Listed in Who’s Who of Investment Management Consultants, Patrick recently authored a book titled *Keep Your Nest Egg from Cracking – What You Need to Know*.

Visit www.integrated-financial-group.com for more information about Mr. Patrick and his consortium of advisors.

###

NOTE:

When you need an expert to speak on complicated financial topics in an easy-to-understand and lively way, please call Don Patrick and the consortium of advisors at Integrated Financial Group.

Securities offered through Securities America, Inc. Member NASD/SIPC. Don Patrick Registered Representative. Advisory services offered through Securities America Advisors, Inc. Don Patrick Investment Advisor Representative. Integrated Financial Group and Securities America, Inc. are not affiliated.