



Personal Finance, 13th edition
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Chapter-by-Chapter Changes

Selected Topics	Benefits to Users
<p>Chapter 1</p>	
<p><i>Revised exhibit:</i> Financial planning information sources (<i>Exhibit 1-3</i>)</p>	<p>Provides an updated overview of personal financial planning information sources.</p>
<p><i>New Smart Money Minute feature</i></p>	<p>Offers an overview of technology influences on banking and financial activities, such as artificial intelligence, robotics, the Internet of Things, blockchain, and wearable technology.</p>
<p><i>New Smart Money Minute feature</i></p>	<p>Provides suggestions for becoming financially disciplined, and emphasizes the importance of the “why” of financial goals.</p>
<p><i>Updated apps and websites</i></p>	<p>Presents additional online and mobile sources to consult for expanded information and assistance.</p>
<p><i>New Smart Money Minute feature</i></p>	<p>Offers guidance on how to avoid mistakes when studying personal finance.</p>

<i>New Smart Money Minute feature</i>	Suggests sources for funding education costs along with a reference to the Chapter 7 Appendix.
<i>Added content: Financial Literacy for My Life</i>	Discusses common financial planning mistakes as identified by financial advisors.
<i>Repositioned Daily Spending Diary sheets</i>	Presents an explanation of the <i>Daily Spending Diary</i> sheets at the end of the chapter, rather than at the end of the book.

Chapter 2

<i>Revised exhibit: Education and income (Exhibit 2-1)</i>	Updates median weekly earnings for various levels of education, based on data from the Bureau of Labor Statistics.
<i>New Smart Money Minute feature</i>	Suggests factors to emphasize for enhanced job search success.
<i>New Smart Money Minute feature</i>	Reports the main sources of newly created jobs with innovative and young companies.
<i>Revised exhibit: Career information sources (Exhibit 2-4)</i>	Presents an updated format, organization, and content for locating useful career planning information.
<i>Expanded content: Career Development office</i>	Expands discussion of services offered by campus career offices.
<i>Updated content: Industry trends</i>	Lists job opportunities with the greatest potential for career success in various industries.
<i>Revised Financial Literacy for My Life feature</i>	Discusses career options related to social entrepreneurship, gig economy, shared economy, and circular economy, along with the availability of microloans for business funding.
<i>New Smart Money Minute feature</i>	Emphasizes actions to avoid spelling and grammar errors in résumés and cover letters.
<i>New Smart Money Minute feature</i>	Points out actions to take for a condensed cover letter.
<i>Revised Financial Literacy for My Life feature</i>	Provides an overview of common employee benefits long with innovative benefits offered by various companies.
<i>New Smart Money Minute feature</i>	Discusses the use of artificial intelligence (AI) for identifying and hiring employees.
<i>New example: Social media résumé</i>	Suggests methods for the use of social media to communicate career competencies to hiring managers.
<i>New content: F-O-C-U-S for a résumé and cover letter</i>	Communicates key elements of a résumé and cover letter to enhance job search success.
<i>New content: Preparing a cover letter</i>	Highlights key items when preparing a cover letter.

Revised exhibit: Interview questions you should expect (Exhibit 2-D)

Presents additional commonly encountered interview questions.

New example: Checklist for interview success

Provides a list of factors to consider for enhanced interview success.

Revised Smart Money Minute feature

Presents information on the use of simulations and job auditions as part of the interview process.

Revised How To: Prepare for a Case Interview

Updates information to prepare for a case interview as part of the job application process.

Chapter 3

Revised exhibit format: Creating a personal balance sheet

Provides an updated format to enhance visual appeal and learning of balance sheet components.

New Smart Money Minute feature

Suggests sources of grants and scholarships that go unused along with a reference to the Chapter 7 Appendix.

Revised exhibit format: Creating a cash flow statement of income and outflows

Presents a revised format for improved understanding of cash inflows and outflows.

New Smart Money Minute feature

Offers actions to take for keeping accurate financial records and to reduce financial stress.

New Smart Money Minute feature

Suggests sources for additional income to enhance a person's financial situation.

New Smart Money Minute feature

Presents financial rules of thumb for wise money management and for achieving saving and financial goals.

New Smart Money Minute feature

Presents innovative apps and websites related to savings, borrowing, and other financial decisions.

New Smart Money Minute feature

Reports on the financial attitudes and behaviors of young adults based on *Better Money Habits Millennial Report* conducted by Bank of America.

Repositioned Appendix: Money Management Information Sources and Advisors

Presents updated money management and financial planning sources at the end of the chapter instead of at the end of the book.

New Smart Money Minute feature

Points out the availability of robo-advisors to guide financial planning activities.

Chapter 4

Updated content: Tax Cuts and Jobs Act (TCJA)

Provides an updated, detailed incorporation of the new tax legislation.

Updated content: Gift taxes

Covers new gift tax limits for 2018.

Revised exhibit: Computing taxable income and tax liability (Exhibit 4-1)

Incorporates changes for the computation due to the TCJA.

<i>Revised content:</i> Standard deductions	Updated annual limit for standard deduction for 2018.
<i>Revised content:</i> Medical expense deduction	Incorporates changes for the computation due to the TCJA.
<i>Revised content:</i> Itemized deduction	Incorporates changes for what is eligible due to the TCJA.
<i>Revised content:</i> Tax rates	Demonstrates how to calculate total tax due using a tax bracket schedule, with most current information.
<i>Expanded content:</i> Health care and taxes	Updates students on key changes related to the Affordable Care Act.
<i>Revised content:</i> Tax credits	Covers revised tax credits for 2018.
<i>Revised content:</i> Tax forms	Updated for basic tax form to be used starting with 2018. Eliminating 1040A and 1040EZ.
<i>Revised content:</i> Filing taxes online	Updates students on the most recent process for filing taxes online.
<i>Revised content:</i> Tax scams	Describes the latest and most popular tax scams.
<i>Revised exhibit:</i> How to avoid common filing errors (<i>Exhibit 4-8</i>)	Provides an updated, detailed list of steps one might take to reduce the likelihood of a filing error.
<i>Revised Smart Money Minute feature</i>	Updates statistics on the likelihood of a tax audit in recent years.
<i>Revised content:</i> Capital gains	Incorporates changes for new tax rates due to the TCJA for capital gains.
<i>Revised content:</i> Kiddie tax	Incorporates changes for new tax rates due to the TCJA for children's investment income.

Chapter 5

<i>New Smart Money Minute feature</i>	Explains an app program from Instant Financial that allows employees to access 50 percent of their pay each day they work.
<i>Updated data:</i> Understanding interest rates	Provides data for various interest rates that affect spending, saving, borrowing, and investing decisions
<i>New Smart Money Minute feature</i>	Offers suggestions to avoid or minimize unnecessary banking fees.
<i>New content:</i> Other financial service providers	Provides an overview of nonbank organizations offering financial services, such as retailers, Internet banks, and P2P (peer-to-peer) lending networks.
<i>Revised exhibit:</i> Choosing a financial institution (<i>Exhibit 5-5</i>)	Presents a focused process for assessing and selecting a financial institution.
<i>New Smart Money Minute feature</i>	Discusses savings plans available for financing

<i>Revised content:</i> Savings bonds	college education along with a reference to the Chapter 7 Appendix.
<i>Expanded content:</i> Financial Literacy for My Life <i>feature</i>	Updates current information related to buying and redeeming savings bonds.
<i>Revised content:</i> Deposit insurance	Adds discussion of informal remittance networks to other alternative financial services used around the world.
<i>New Smart Money Minute feature</i>	Updates information on credit union deposit insurance coverage.
<i>Revised How To:</i> Avoid Identity Theft	Provides information on the benefits and concerns associated with Bitcoin and other crypto-currencies.
<i>New Smart Money Minute feature</i>	Expands suggestions to prevent identity theft with an update of sources for assistance.
<i>New content:</i> Money transfers	Presents technology examples for emerging financial services, such as video tellers, facial recognition payments, and banking virtual assistants.
	Provides an overview of methods to send funds across the country or around the world.

Chapter 6

<i>Updated exhibit:</i> Volume of consumer credit (<i>Exhibit 6-1</i>)	Illustrates that the volume of consumer credit has been increasing steadily.
<i>New Smart Money Minute feature</i>	Cautions what to watch for when activating a new credit card.
<i>New content:</i> Use of smartphones	Describes the popularity and the use of smartphones worldwide.
<i>New content:</i> Home equity loans	Explains how the Tax Cuts and Jobs Act of 2017 affects the deduction for home equity loans.
<i>Revised content:</i> Debit and credit card fraud	Updated statistics and explanation for protecting yourself against credit card fraud.
<i>New content:</i> Building and maintaining your credit rating	Describes a 2015 legal settlement that requires the Credit Reporting Agencies to reduce credit report errors.
<i>New content:</i> What is in your credit files?	Summarizes the information contained in your credit report.
<i>New content:</i> Time limits on adverse data	Explains that tax liens can be reported for 15 years on your credit report.
<i>New Financial Literacy for My Life feature</i>	Describes what to do if you were affected by the Equifax data breach.
<i>New Smart Money Minute feature</i>	Provides information on how to obtain your free credit reports from the three major credit

<i>New Smart Money Minute feature</i>	reporting agencies. Explains that consumers are becoming more credit conscious and checking their credit scores more often.
<i>Revised content: FICO and VantageScore</i>	Updates information about new FICO and VantageScore products.
<i>New and revised content: Financial Planning Problems</i>	

Chapter 7

<i>New content: Inexpensive loans</i>	Refers readers to Chapter 7 Appendix: Education Financing, Loans, and Scholarships.
<i>Revised content: Medium-priced loans</i>	Notes that 109 million members of the nation’s 5,900 credit unions hold over \$1.4 trillion in assets.
<i>New Smart Money Minute feature</i>	Explains that debt collection is a \$10.9 billion industry and employs nearly 120,000 workers.
<i>New content: Debt collection practices</i>	Describes that in March 2018, the FTC and CFPB received 84,500 debt collection complaints.
<i>New Smart Money Minute feature</i>	Explains what to do if you make a mistake of getting behind in paying your bills.
<i>New Smart Money Minute feature</i>	Cautions readers about credit repair clinics.
<i>Updated exhibit: Consumer bankruptcy filings (Exhibit 7-4)</i>	Provides up-to-date statistics on U.S. consumer bankruptcy filings from 1980–2017.
<i>Revised content: Chapter 7 bankruptcy</i>	Updates fees on Chapter 7 bankruptcy in the United States for 2018.

Chapter 8

<i>New Financial Literacy for My Life feature</i>	Provides suggestions for obtaining the best buys for products and services during each month of the year.
<i>New Smart Money Minute feature</i>	Encourages actions to avoid financial difficulties when people do not clearly distinguish needs from wants.
<i>New Smart Money Minute feature</i>	Presents information on current retailing technology trends designed to enhance the shopping experience.
<i>New Smart Money Minute feature</i>	Describes the features of car subscription services.
<i>Updated Financial Literacy for My Life feature</i>	Includes updated coverage of romance scams, the “yes” scam, and other fraudulent activities.
<i>New content: Scholarship and financial aid scams</i>	Warns students of fraudulent college financing programs along with a reference to the Chapter

7 Appendix.

New Smart Money Minute feature

Warns consumers of the safety and financial dangers of buying fake and counterfeit products.

New Smart Money Minute feature

Suggests a method for increasing amounts saved by putting the “You Saved” amount from a receipt in a savings account.

Repositioned Appendix: Consumer Protection Agencies and Organizations

Presents contact information for federal, state, local agencies, and other organizations at the end of the chapter instead of at the end of the book.

Chapter 9

Revised exhibit: The home-buying process (Exhibit 9-5)

Presents clarified information for the steps in the home-buying process.

Revised content: Assess types of housing

Enhances coverage of multiunit dwellings, duplexes, town houses, and planned unit developments (PUDs).

New content: Housing construction

Expands discussion of factory-built houses, prefabricated homes, modular homes, mobile homes, and manufactured homes.

New Smart Money Minute feature

Discusses the benefits and limitations of tiny houses (400 square feet or less).

New Smart Money Minute feature

Suggests actions to plan for overlooked costs when buying a home.

New Smart Money Minute feature

Recommends the best times of the year to buy and sell a house.

New content: United States Department of Agriculture (USDA) loan program

Reports on a government home loan program to finance housing and community facilities in rural areas.

New Smart Money Minute feature

Discusses current home buying attitudes and behaviors among young people based on a Harris poll, conducted on behalf of Trulia.

Revised Financial Literacy for My Life feature

Presents actions to take when deciding whether to pay off a mortgage early.

Revised exhibit: The main elements of buying a home (Exhibit 9-12)

Provides an updated, condensed overview of the major elements of home buying.

New content: Lifestyle inflation

Cautions about overspending on housing and other items when receiving a salary increase.

New content: Down payment wire fraud

Warns about the growing threat of identity fraud and monetary loss when processing personal and financial information for a home purchase.

New Smart Money Minute feature

Reports upgrades with the largest payoffs when selling a home along with desirable paint shades for various rooms.

Chapter 10

<i>New Financial Literacy for My Life feature</i>	Cautions readers that insurance companies may exclude coverage for certain losses.
<i>New Financial Literacy for My Life feature</i>	Explains the importance of purchasing flood insurance.
<i>New Financial Literacy for My Life feature</i>	Describes what steps to take if you are in an accident caused by another driver.
<i>Revised Smart Money Minute feature</i>	Cautions that distracted driving can be dangerous, and offers tips to avoid it.
<i>New Financial Planning Problems</i>	

Chapter 11

<i>New Smart Money Minute feature</i>	Describes how you can save time and money by receiving health care from a primary care physician.
<i>Revised content: High medical costs</i>	Provides revised and updated information on runaway health care costs.
<i>Revised content: Rapid increase in medical expenditures</i>	Updates data on medical expenditures.
<i>Revised exhibit: U.S. national health expenditures (Exhibit 11-1)</i>	Provides projected health care costs to year 2026.
<i>New content: High costs of health care</i>	Describes President Trump's executive order.
<i>New content: Reducing health care costs</i>	Offers additional suggestions for staying healthy and well.
<i>New content: Group health insurance</i>	Explains new Association Health Plans for small businesses, their employees, and proprietors.
<i>New Smart Money Minute feature</i>	Discusses medical care benefit plans provided by employers to their employees in 2017.
<i>New Financial Literacy for My Life feature</i>	Summarizes the specific qualifying events and qualified beneficiaries to elect continuation coverage under COBRA.
<i>New Smart Money Minute feature</i>	Provides phone numbers and websites for COBRA, ACA, HIPAA, and ERISA.
<i>New Smart Money Minute feature</i>	Provides the latest data on disability and long-term care services.
<i>Revised content: Long-term care insurance</i>	Updates nursing home costs in the United States.
<i>New exhibit: Coverage limits of long-term care (Exhibit 11-4)</i>	Summarizes the very limited long-term care coverage that Medicare, Medigap, and private health insurance provide.
<i>Revised Financial Literacy for My Life feature</i>	Explains how HSAs work in 2019.

<i>New content:</i> HSAs	Cautions that if you continue contributing to your HSA, you should not apply for Medicare or Social Security.
<i>New content:</i> Medicare	Provides new contact information for Medicare websites.
<i>New content:</i> Medicare and the Affordable Care Act	Explains that if you have Medicare Part A, you meet the requirement for having health coverage under the Affordable Care Act.
<i>New content:</i> Medigap	Expands discussion about Medigap policies, and services they do and do not cover.
<i>New Smart Money Minute feature</i>	Explains how Medicaid costs are rising rapidly.
<i>New content:</i> The American Health Care Act of 2017	Describes the attempt to repeal and replace the Affordable Care Act.
<i>New content:</i> Shared responsibility	Explains that starting in 2019, the Tax Cuts and Jobs Act repeals the Affordable Care Act mandate to have health insurance or pay a penalty.
<i>Expanded content:</i> Health insurance marketplace	Explains that if you have Medicare, you don't need to worry about the marketplace.
<i>New Financial Literacy for My Life feature</i>	Describes five questions to ask yourself when choosing a plan.
<i>New content:</i> College students and the marketplace	Explains what college students need to know about the marketplace.
<i>New Financial Planning Problem</i>	

Chapter 12

<i>Revised content:</i> Life insurance	Provides updated information on life insurance policies and their face value for most recent years.
<i>New content:</i> The reality of life	Shows statistics regarding the need for life insurance to provide for family members.
<i>Revised exhibit:</i> Life expectancy (<i>Exhibit 12-2</i>)	Provides updated information on life expectancy for most recent years.
<i>Revised examples:</i> Multiple Method, DINK Method, Non-Working Spouse Method	Provides revised examples to demonstrate the use of the methods for students.
<i>Revised Smart Money Minute feature</i>	Provides information on the amount of hours and equivalent wage of a stay-at-home mom.
<i>New content:</i> Reentry term	Provides information about a new type of term insurance policy.
<i>New content:</i> Modified life	Provides information about a new type of whole life insurance policy.
<i>Revised Smart Money Minute feature</i>	Provides updated statistics about the average face amount of life insurance policies.

<i>Revised exhibit:</i> Growth of individual, group, and credit life insurance (<i>Exhibit 12-7</i>)	Shows updated data for the growth of different classes of life insurance.
<i>New content:</i> Joint life insurance	Includes additional variations of life insurance policies that are available.
<i>Revised content:</i> The cost of insurance	Shows an updated example of the cost of life insurance, including the time value of money.
<i>New content:</i> Installment payments	Includes additional variations of installment payments for life insurance benefits.

Chapter 13

<i>Expanded content:</i> Budgeting	Describes how software and mobile apps can improve budgeting skills.
<i>Updated statistics:</i> Credit cards	Reports current statistics on credit cards, credit card debt, and student debt.
<i>New Smart Money Minute feature</i>	Describes how one investor avoided making a costly mistake by researching an investment that turned out to be a pyramid scheme.
<i>New example:</i> Risk-return trade-off	A new example describes a recent price decline for Johnson & Johnson's stock.
<i>New example:</i> Return on investment	Illustrates how to calculate return on investment for a stock investment in the Lowes Home Improvement chain.
<i>New example:</i> Effect of changing interest rates on bond prices	Illustrates how bond prices can change for a John Deere corporate bond when interest rates in the economy change.
<i>New example:</i> Business failure risk	Describes what happened to investors when Toys R Us filed for bankruptcy and eventually closed all its stores.
<i>New content:</i> Growth investments	Explains why Facebook, Amazon, and Netflix are examples of growth stocks.
<i>New content:</i> Dow Jones Average	Describes the largest one-day point decline in the history of the Dow Jones Average.
<i>Revised Smart Money Minute feature</i>	Includes new statistics for income for American families.
<i>Revised exhibit:</i> Asset allocation (<i>Exhibit 13-2</i>)	Illustrates the concept of asset allocation for an investor who is 28 years old.
<i>New example:</i> Interest calculations	Illustrates interest calculations for a Ford Motor Credit Company bond.
<i>New content:</i> Mutual fund fees	Provides more information on typical fees associated with mutual fund investments.

<i>New content:</i> Real estate returns	Updates the statistics for average real estate returns.
<i>Updated content:</i> Investment taxation	Describes how the Tax Cuts and Jobs Act of 2017 affects how investment gains are taxed.
<i>New examples:</i> Information available on the internet	Provides information for an additional search engine (Bing) and a new investor link for Exxon Mobil.
<i>Revised exhibit:</i> Useful sites for financial planning (<i>Exhibit 13-6</i>)	Provides additional information on individual websites.
<i>Updated</i> Financial Planning Activities	Includes a link to <i>The Occupational Outlook Handbook</i> .
<i>New</i> Financial Planning Case	Provides details about the financial situation of John and Nina Hartwick, a couple in their mid-30s who earn over \$100,000 a year, but after monthly expenses never have enough money to establish an emergency fund or save.

Chapter 14

<i>Revised example:</i> McDonald's	Reports the increased value of an investment in McDonald's stock at the end of 10 years.
<i>New content:</i> Taxation of investments	Provides new information about taxation of long-term and short-term investments.
<i>New example:</i> Stocks can lose money	Describes how the Dow Jones Industrial Average suffered the largest one-day decline in history.
<i>New example:</i> Starbucks' dividend payments	Includes information about how to determine the record date for a corporate stock.
<i>New exhibit:</i> Stock investment in Apple (<i>Exhibit 14-2</i>)	Illustrates how an investor can earn a profit from an investment in Apple.
<i>Revised exhibit:</i> Stock classifications (<i>Exhibit 14-4</i>)	Provides a revised definition for a penny stock.
<i>New exhibit:</i> Stock price information on the Internet (<i>Exhibit 14-5</i>)	Reports current information for The Gap, as reported on Yahoo! Finance.
<i>Revised Smart Money Minute feature</i>	Includes statistics for the Dow Jones Industrial Average for 2016 and 2017.
<i>New exhibit:</i> Value Line report for Home Depot (<i>Exhibit 14-7</i>)	Provides detailed financial information from Value Line about Home Depot.
<i>New content:</i> Projected earnings	Describes the importance of projected earnings for Visa.
<i>Revised Financial Literacy Calculations feature</i>	Calculates and then describes the importance of a price/ earnings to growth ratio for Visa.
<i>New examples:</i> Current ratios	Uses current information for 3M Company and American Airlines to calculate dividend payout, dividend yield, total return, annualized holding

Revised content: Buying and selling stocks

period yield, and beta.

Describes the recent IPO for Snap along with an update for the value of its stock, one year later.

Revised How To: Open an Account with a Brokerage Firm

Provides new information about the amount required to open an account, commissions charged for online trades, and other information about specific brokerage firms.

New Smart Money Minute feature

Explains the types of services provided by a robo-advisor.

Revised exhibit: Dollar cost averaging (Exhibit 14-9)

Includes current share prices for 2017 and 2018 for Johnson & Johnson.

New example: Margin transaction

Provides a new example for a margin transaction for Pepsico.

Chapter 15

Revised example: Asset Allocation

Includes additional information about asset allocation in the example in the chapter introduction.

New example: Convertible bonds

Provides new information about a convertible bond issued by Intercept Pharmaceuticals.

Revised example: Current interest rates

Reduced interest rate from 8 percent to 6 percent to reflect current interest rates for corporate bonds.

Revised Financial Literacy for My Life feature

Explains why one couple chose two bond funds to earn investment returns with minimal risk.

New example: Interest income

Illustrates how to calculate interest for a bond issued by Microsoft.

New example: Bond price fluctuations

Provides an example of how the price for a corporate bond issued by Apple can increase or decrease until maturity.

New example: Bonds in bankruptcy

Illustrates what happened to Toys R Us bondholders.

New exhibit: Bond transaction (Exhibit 15-3)

Describes a typical bond transaction for a corporate bond issued by Apple.

Revised Financial Literacy Calculations feature

Includes a new tryout problem that illustrates the time value of reinvested interest for a bond issued by Visa.

New content: Treasury bills

Provides more information about current rates for T-bills.

New weblinks: Investor websites

Includes new links to bond websites for investors.

New exhibit: FINRA bond coverage (Exhibit 15-6)

Adds new information available from the Financial Industry Regulatory Authority (FINRA) for a Tesla bond.

<i>Revised</i> How To: Evaluate Corporate, Government, and Municipal Bonds	Includes new material about the bond screener available on the Financial Industry Regulatory Authority website.
<i>Revised exhibit:</i> Bond ratings (Exhibit 15-7)	Contains new information for the BBB– and BB+ bond ratings.
<i>New example:</i> Boeing	Calculates current yield and yield to maturity calculations for Boeing.
<i>Revised Financial Literacy Calculations feature</i>	Calculates the times interest earned ratio for Home Depot.
Chapter 16	
<i>New Chapter Opener example</i>	Explains why one investor chose the T. Rowe Price Dividend Income fund for his investment portfolio.
<i>Revised content:</i> Statistics for funds	Provides the latest available statistics for mutual funds.
<i>Revised content:</i> Fund fees	Reports that the average load charge is now 3 to 5 percent.
<i>Revised content:</i> Fund fees	Reports that the average management fee is now 0.5 to 2 percent.
<i>Revised exhibit:</i> Fund fees (Exhibit 16-2)	Provides updated information from the fee table for the Davis New York Venture fund.
<i>Revised exhibit:</i> Fund fees (Exhibit 16-3)	Summarizes the changes made throughout the chapter.
<i>Revised content:</i> Type of funds	Includes revised amounts for large-cap funds (now \$10 billion), mid-cap funds (now \$2 to \$10 billion), small-cap funds (now less than \$2 billion).
<i>Revised Smart Money Minute feature</i>	Describes why people invest in mutual funds.
<i>Revised</i> How To: Open an Investment Account and Begin Investing in Funds	Adds more material on different types of investment accounts.
<i>New content:</i> Economic factors	Provides new information about the relationship between the nation's economy and a fund's performance and a fund's financial returns.
<i>Revised exhibit:</i> Large fund families (Exhibit 16-4)	Describes the three large mutual fund companies: Vanguard, Fidelity, and American Funds.
<i>New exhibit:</i> Fund research (Exhibit 16-5)	Illustrates detailed research information about the Fidelity Blue Chip Growth fund, available from Morningstar.
<i>New exhibit:</i> Kiplinger's Favorite Funds (Exhibit 16-6)	Shows a portion of the information available in the Kiplinger's 25 Favorite No Load Mutual Funds article.
<i>New example:</i> Return on investment	Illustrates how an investor can earn a capital gain on an investment in the T. Rowe Price Communications and Technology fund.

<i>New content:</i> Taxes and funds	Provides more information about how the 2017 Tax Cuts and Jobs Act affects fund investments.
<i>New and revised</i> Financial Planning Problems	
Chapter 17	
<i>New content:</i> How the Tax Cuts and Jobs Act affects home ownership	Explains how the new tax law reduces the tax benefit of owning a home.
<i>New exhibit:</i> Annual home ownership rates for the United States by age groups (<i>Exhibit 17-2</i>)	Provides an insight into home ownership in the United States by age groups: 1982–2017.
<i>New</i> Financial Literacy for My Life <i>feature</i>	Describes steps to take if you have been scammed and provides additional resources for help.
<i>Revised content:</i> REITs	Provides the latest available data on REITs.
<i>Revised</i> Financial Literacy for My Life <i>feature</i>	Includes when Ginnie Mae, Sonny Mae, and Nellie Mae were established.
<i>New content:</i> <i>The Tax Cuts and Jobs Act</i>	Explains how the new tax law limits the mortgage interest deduction and capital gains exclusions.
<i>Revised exhibit:</i> Gold prices (<i>Exhibit 17-3</i>)	Illustrates how the price of gold has fluctuated from 1976 to 2018.
<i>Revised</i> Smart Money Minute <i>feature</i>	Shows the biggest producers of gold in the world as of 2016.
<i>Revised content:</i> Prices of precious metals	Includes the latest prices of silver, platinum, palladium, and rhodium.
<i>New</i> Smart Money Minute <i>feature</i>	Describes how color, cut, clarity, and carat determine the value of diamonds.
<i>New</i> Smart Money Minute <i>feature</i>	Cautions that many sellers of collectibles and coins promise false “buy back” options.
<i>New</i> Smart Money Minute <i>feature</i>	Emphasizes comparing quality, price, and service before buying jewelry, precious stones, or collectibles.
Chapter 18	
<i>Revised content:</i> Centenarians	Explains that the number of centenarians in the United States is increasing.
<i>New exhibit:</i> Older household expenditures (<i>Exhibit 18-4</i>)	Illustrates how an “average” older household spends its money.
<i>New content:</i> Inflation rate	Includes the annual inflation rate in 2018.
<i>Revised content:</i> Social Security	Explains that today 66 million people collect over \$1 trillion in Social Security benefits.
<i>Revised</i> Smart Money Minute <i>feature</i>	Shows what groups are collecting Social Security as of 2017.

<i>New Smart Money Minute feature</i>	Explains the importance of delaying Social Security benefits at least until the full retirement age.
<i>New Smart Money Minute feature</i>	Offers suggestions on when one should begin receiving retirement benefits from Social Security.
<i>New How To: Choose a Social Security Benefit Calculator</i>	Explains how to choose a Social Security calculator.
<i>Revised exhibit: Number of workers per beneficiary (Exhibit 18-8)</i>	Illustrates how the number of workers per beneficiary has plummeted over the decades.
<i>Revised content: 401(k) plans</i>	Updates the contribution limits for 2018.
<i>Revised Smart Money Minute feature</i>	Shows that there are nearly 24,000 private-sector defined benefit plans protected by PBGC.
<i>Revised content: IRAs</i>	Updates the Roth IRA contribution limits for 2018.
<i>Revised content: SEP-IRAs</i>	Updates the SEP-IRA contribution limits for 2018.
<i>New content: Dipping into your nest egg</i>	Explains the tax consequences of early withdrawals from retirement accounts.
<i>New Financial Planning Problems</i>	
Chapter 19	
<i>Revised content: New lifestyles</i>	Points out that the new tax law allows \$11,800,000 exemption for estate taxes.
<i>Revised content: Stated Dollar Amount Will</i>	Explains that the new tax law allows you to pass on the stated amount of \$11,800,000 in 2018.
<i>Revised content: Aging with dignity</i>	Explains that “Five Wishes” is now valid in 42 states and in the District of Columbia.
<i>New content: Credit shelter trust</i>	Provides updated and new information about the Tax Cuts and Jobs Act and the new exemption amounts for 2018.
<i>Revised content: Testamentary trust</i>	Describes that testamentary trusts do not protect assets from the probate process.
<i>Revised content: Federal and state estate taxes</i>	Provides the latest available information about gift and estate taxes under the Tax Cuts and Jobs Act of 2017.
<i>New Smart Money Minute feature</i>	Emphasizes the importance of lifetime gifting to reduce estate taxes.
<i>Updated exhibit: Estate tax law changes (Exhibit 19-6)</i>	Includes the new exemption amounts for 2017, 2018, and beyond (until 2025).
<i>Revised content: Self-test problems</i>	Covers new tax law exemptions for gifting.
<i>Revised content: Financial Planning Problems</i>	