

October 28, 1998

## Workbook Is Powerful, Methodical

### Quicken Financial Planner

Intuit, \$39.95 for Planner alone or \$89.95

Quicken Suite 99 after \$20 upgrade rebate; Windows 95, 98 and NT.

**P**art of the power of Quicken's planner is how well it takes information from your checkbook to determine your spending and saving habits -- provided you already use Quicken's software. The planner will not work with other companies' checkbook files, unless you have a full-featured Quicken program, which will convert them to a Quicken file first.

Quicken's financial planner is a straightforward workbook with a lot of text that is not always easy to follow. The printed 34-page users' guide is clearer, telling you what to enter at each step, as well as what items should wait for later steps. We entered some income too early and had to go back and take it out. For those curious about things like why inflation is set at 3 percent, an Expert Advise button leads you to information from the financial columnist Jane Bryant Quinn. To understand how changing your inflation number will affect your outcome, there is a help button.

Of all of the planners, this one moves along the most methodically. It specifically asked about a pension, which Jane Doe will receive. But it stumbled over the fact that Ms. Doe, who does not pay Social Security tax, is ineligible for Social Security benefits at retirement. The program insisted on automatically calculating a Social Security benefit for her. We had to split John Doe's benefit between and Ms. Doe and reduce the amount by 33 percent to get the numbers right. "You have to jury rig it to take out her Social Security," said Kevin Condon, our adviser for this project. "No Government employees need apply."

In planning college for Lisa, Quicken offers detailed expenses for more than

---

#### Overview

- [Tapping Cyberbrains for Financial Advice](#)

#### This Week's Reviews

- [Microsoft Money Financial Suite 99](#)
  - [Plan Retirement Quick and Easy](#)
  - [Quicken Financial Planner](#)
  - [T. Rowe Price Retirement Planning Analyzer](#)
-

5,000 schools, using data provided by the College Board, a nonprofit education association. We clicked on a school and got the costs for tuition, books and living expenses.

Condon liked the program's "what if" capability, watching how the charts in the final report changed when we fine-tuned the information entered. "That's a great one, it modifies the whole thing," he said.

How did the Does make out? Quicken assumes 3 percent inflation (the long-term historical average), an 8 percent return on investments before retirement and 6 percent after retirement, with a 17 percent tax rate. (We did change one assumption by lengthening Ms. Doe's life span by 10 years, to 95 years from 85.) When Ms. Doe, the surviving spouse, dies, she leaves \$10.66 million. Congratulations, Lisa, you're rich.

But is she that rich? Quicken's (and the other cyberplanners') calculation was \$7 million higher than that of the flesh-and-blood planners. The discrepancy, Condon's company said, stems from a couple of assumptions these electronic planners make.

One is that all cash left after expenses will be reinvested. Condon's group assumes that some of that will be spent and some invested. (They use a modest growth rate of 4 percent.) Second, Condon's plan reduces the size of investment accounts in the Does' later years so Lisa will not get socked by estate taxes, a problem that electronic planners didn't take into account.

---

[Home](#) | [Site Index](#) | [Site Search](#) | [Forums](#) | [Archives](#) | [Marketplace](#)

[Quick News](#) | [Page One Plus](#) | [International](#) | [National/N.Y.](#) | [Business](#) | [Technology](#) | [Science](#) | [Sports](#) | [Weather](#) | [Editorial](#) | [Op-Ed](#) | [Arts](#) | [Automobiles](#) | [Books](#) | [Diversions](#) | [Job Market](#) | [Real Estate](#) | [Travel](#)

[Help/Feedback](#) | [Classifieds](#) | [Services](#) | [New York Today](#)

[Copyright 1998 The New York Times Company](#)