FREEZE SULKOV

Social Media Plan for September 2019

Summary

- ➢ 6 Blogs & Related Social Posts
  - When Life Happens: Loss of a Job (September 4)
  - Setting a Retirement Savings Goal (September 11)
  - What We're Reading: Range by David Epstein (September 12)
  - Insurance Needs in Retirement (September 18)
  - Social Security Retirement Benefits (September 25)
- ➢ 9 Posts Written and Supplied by Checkpoint Marketing

Snapshot

WEEK 1
September 2, Monday - CM: IT - The "Kiddie Tax" Hurts Families More Than Ever
September 4, Wednesday - Blog via FS: When Life Happens: Loss of a Job
September 6, Friday - CM Federal Tax Post or BR:FA Federal Tax Alert

WEEK 2
September 9, Monday - CM: B - Taking a Long-Term Approach to Insurance Documentation
September 11, Wednesday - Blog via BRA: Setting a Retirement Savings Goal
September 12, Thursday - Blog via FS: What We're Reading: Range by David Epstein
September 13, Friday - CM Federal Tax Post or BR:FA Federal Tax Alert

WEEK 3
September 16, Monday - CM: SB - Take a Closer Look at Home Office Deductions
September 18, Wednesday - Blog via BRA: Insurance Needs in Retirement
September 20, Friday - CM Federal Tax Post or BR:FA Federal Tax Alert

WEEK 4
September 23, Monday - CM: EP - What's the Difference Between the 2 Types of POA?
September 25, Wednesday - Blog via BRA: Social Security Retirement Benefits
September 27, Friday - CM Federal Tax Post or BR:FA Federal Tax Alert

WEEK 5
September 30, Monday - CM: Infographic - Avoid Common Slip-Ups When Selling Your Business

Key

- ➢ Blue denotes posts recommended for boosting on Facebook.
- ➢ Highlight denotes posts recommended to have accompanying designed images.

Monday, September 2, 2018
CHECKPOINT MARKETING: INDIVIDUAL TAX - THE "KIDDIE TAX" HURTS FAMILIES MORE THAN EVER

Facebook text:

Congress created the "kiddie tax" to discourage parents from putting investments in their children's names to save tax. Over the years, it has gradually affected more families because the age at which it generally applies was raised to children under age 19 and full-time students under age 24 (unless the children provide more than half of their own support). Now, under the Tax Cuts and Jobs Act, the kiddie tax hits even harder. For 2019, an affected child's unearned income above $2,200 generally will be taxed at rates paid by trusts and estates, up to 37%. That means children's unearned income could be taxed at higher rates than their parents' income. Contact us for details. [includes picture seen below]

#taxes #Dallas #financialadvisor #DFW #taxplanning #TCJA #TaxCutsandJobsAct

LinkedIn text:

Congress created the "kiddie tax" to discourage parents from putting investments in their children's names to save tax. Over the years, it has gradually affected more families because the age at which it generally applies was raised to children under age 19 and full-time students under age 24 (unless the children provide more than half of their own support). Now, under the Tax Cuts and Jobs Act, the kiddie tax hits even harder. For 2019, an affected child's unearned income above $2,200 generally will be taxed at rates paid by trusts and estates, up to 37%. That means children's unearned income could be taxed at higher rates than their parents' income. Contact us for details. [includes picture seen below]

#taxes #Dallas #financialadviser #DFW #taxplanning #TCJA

Twitter text:

If your children/grandchildren has unearned income from capital gains, interest, or dividends, be aware of the "kiddie tax." With #TCJA changes, your family may be hit harder by #taxes under the current law. [link] #Dallas #financialwellness #DFW

Link to photo for Instagram:

https://www.checkpointmarketing.net/docs/07_30_19_926591442_ITB_560x292.jpg

Blog post:

Years ago, Congress enacted the “kiddie tax” rules to prevent parents and grandparents in high tax brackets from shifting income (especially from investments) to children in lower tax brackets. And while the tax caused some families pain in the past, it has gotten worse today. That’s because the Tax Cuts and Jobs Act (TCJA) made changes to the kiddie tax by revising the tax rate structure.

History of the tax

The kiddie tax used to apply only to children under age 14 — which provided families with plenty of opportunity to enjoy significant tax savings from income shifting. In 2006, the tax was expanded to children under age 18. And since 2008, the kiddie tax has generally applied to children under age 19 and to full-time students under age 24 (unless the students provide more than half of their own support from earned income).

What about the kiddie tax rate? Before the TCJA, for children subject to the kiddie tax, any unearned income beyond a certain amount was taxed at their parents’ marginal rate (assuming it was higher), rather than their own rate, which was likely lower.

Rate is increased

The TCJA doesn’t further expand who’s subject to the kiddie tax. But it has effectively increased the kiddie tax rate in many cases.

For 2018–2025, a child's unearned income beyond the threshold ($2,200 for 2019) will be taxed according to the tax brackets used for trusts and estates. For ordinary income (such as interest and short-term capital gains), trusts and estates are taxed at the highest marginal rate of 37% once 2019 taxable income exceeds $12,750. In contrast, for a married couple filing jointly, the highest rate doesn't kick in until their 2019 taxable income tops $612,350.

Similarly, the 15% long-term capital gains rate begins to take effect at $78,750 for joint filers in 2019 but at only $2,650 for trusts and estates. And the 20% rate kicks in at $488,850 and $12,950, respectively.

That means that, in many cases, children's unearned income will be taxed at higher rates than their parents' income. As a result, income shifting to children subject to the kiddie tax won't save tax, but it could actually*increase* a family's overall tax liability.

Note: For purposes of the kiddie tax, the term "unearned income" refers to income other than wages, salaries and similar amounts. Examples of unearned income include capital gains, dividends and interest. Earned income from a job or self-employment isn't subject to kiddie tax.

Gold Star families hurt

One unfortunate consequence of the TCJA kiddie tax change is that some children in Gold Star military families, whose parents were killed in the line of duty, are being assessed the kiddie tax on certain survivor benefits from the Defense Department. In some cases, this has more than tripled their tax bills because the law treats their benefits as unearned income. The U.S. Senate has passed a bill that would treat survivor benefits as earned income but a companion bill in the U.S. House of Representatives is currently stalled.

Plan ahead

To avoid inadvertently increasing your family's taxes, be sure to consider the kiddie tax before transferring income-producing or highly appreciated assets to a child or grandchild who's a minor or college student. If you'd like to shift income and you have adult children or grandchildren no longer subject to the kiddie tax but in a lower tax bracket, consider transferring assets to them. If your child or grandchild has significant unearned income, contact us to identify possible strategies that will help reduce the kiddie tax for 2019 and later years

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Wednesday, September 4, 2018
WRITTEN BY FREEZE SULKOV - WHEN LIFE HAPPENS: JOB CHANGE/LOSS OF A JOB

Facebook text:

Losing a job. When it happens, it can seem like the end of the world, especially in today's world. Here's the truth, though: It's not. And David Freeze has some financial tips to help you through such a trying time.

#Dallas #jobloss #DFW #financialadvisor #unemployment #financialplanning #taxplanning #financialadviser #gigeconomy

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Blog post:

Losing a job. When it happens, it can seem like the end of the world, especially in today's world.

Here's the truth, though: It's not.

While this article focuses on the financial and tax aspects of this particular life event, there are other things to be considered besides finances:

- You should not view your job as your self-worth.
- You need a plan for getting another job.
- You need to tap into professional connections.
- You need a professionally prepared resume.
- You must be active in the pursuit of another job.
- You should be flexible

Each of these non-financial areas should be considered and prepared while you have a job.

Throughout your life, it's crucial to develop a healthy work-life balance that puts your employment in its rightful place.

Throughout your career, it's key for you to grow continually, allowing yourself to be challenged while also developing professional contacts.

If you wait to work on these things until the day you receive the dreaded pink slip, it will put you seriously behind the eight ball. If you're prepared, however, having these systems and relationships in place can give you the confidence to move forward without qualms during a tough time.

There are plenty of books, blogs, and coaches out there to help in developing this part of your career as you go; we won't belabor the points imperfectly here.

One final word about those non-financial area, however: You make a very big mistake if you convince yourself that you simply don't have time for those things. Fostering a proper work-life balance, developing yourself professionally, and establishing professional connections are vital pieces of any sensible career, and they're worth far more than the expense of sinking time into them.

Let's move on to the financial and tax aspects of losing a job:

Planning for the Unexpected

Who sits down and plans for losing their job?

If you phrase it like that, probably no one.

Try this: Who sits down and plans for unexpected, negative events to occur in life?

Answer: Everyone who has worked out a holistic, integrated financial plan!

Very near the beginning of the steps of a financial plan is:

Set aside your emergency fund… IN CASH!

How much that is depends on several factors. For example:

- how much you spend each month
- your family situation, from number of children to living space
- whether you are the only earner in your family

If you are single, you probably should have at least six months of living expenses set aside.

If you are married and both of you work, then maybe you need three months of living expenses set aside.

If you are married, but only one of you is in the workforce, then you should probably have six months to a year of living expenses set aside.

How much you'll need is determined by your own personal situation and is largely driven by the spending plan that you have developed as part of your holistic financial plan.

We're often asked where this money should be kept. The answer is not "under your mattress." It should be kept in a savings account where it is totally accessible. Nowadays, there are plenty of online banks that have savings accounts paying, generally, a larger interest rate than a brick and mortar bank. Look around.

Without this emergency fund in place, the loss of a job can be utterly devastating; not only a hard hit emotionally, but an untenable financial burden as well. You and your family may be driven to the use of credit cards to survive, which can snowball into long-term financial stress.

Having an emergency fund in place allows you and your family the space to breathe while you deliberately position yourself for life's next step.

Unemployment Pay

The day after losing your job, make it a priority to make sure that your bills are paid.

Also, it's of paramount importance to preserve your emergency fund as much as you can—so you should consider immediately filing for unemployment.

There should be no wounded pride associated with applying for unemployment. Throughout your working life, your employer is required by both federal and state law to pay Unemployment

Insurance. For the employer, this is a component of the payroll taxes that they pay for every employee.

Since this money has already been paid on your behalf, if you do not file for it, you're simply leaving that money on the table.

The amount you would draw from unemployment will likely not cover all the bills you had prior to losing your job; it will serve as supplemental support. It will allow you to take less from your emergency fund, at least, and it will hopefully also allow you to avoid falling into using credit cards to pay for everyday living expenses.

One significant thing to remember about unemployment: IT IS TAXABLE INCOME.

When you file for unemployment, you have the option to have federal income tax withheld from your unemployment checks, and that would absolutely be a prudent thing to do. What we see most often with virtually every client of ours who has drawn unemployment through the years, however, is that they do not have any tax withheld. If you do the same, remember you will still have to include it in taxable income on your tax return.

Recalculate Your Spending Plan

If you're paying close attention to your spending plan on a monthly basis, then—when an emergency arrives—you should be able to quickly reevaluate and make some tactical changes for the short-term.

In fact, you should look at your spending plan on a periodic basis and evaluate it with the following two questions:

- What is necessary?
- What is discretionary?

The “necessary” category obviously includes things like mortgage payments (or rent), student loan payments, car payments and expenses, utilities, and insurance payments. You get the picture: those things that you really cannot change or eliminate in the short-term.

The discretionary items in your spending plan are those more easily reduced or eliminated in the short-term. This list may include items like travel, eating out, purchasing new clothes, and similar extraneous purchases. Again, you get the picture.

Waiting until an emergency arises—like after you’ve lost your job—to scramble and figure out a reduced spending plan can be stressful, depressing, and the cause for family arguments. A little bit of preparation can go a long way.

Being able to tweak your spending plan so that some pressure is relieved in a stressful time will give you a sense of being in charge—because you are.

In recalculating your spending plan post job loss, don’t forget to consider your health insurance. If your health insurance is currently covered by your former employer, then by law, they must allow you to continue in their group plan for a period of time. However, you will be required to pay the full premium. Have that COBRA payment figure in your mind when planning for a potential job loss spending plan.

Student Loans

Previously, I wrote an article on financial concerns related to education, and one topic I covered was student loan debt.

It is simply a fact of life for millions of people.

Something that you should avoid at all costs is missing payments or defaulting on your student loans. It can be devastating to your credit rating and can be very expensive as penalties are added to the loan amounts (due to late payment).

If you lose a job, then you MUST contact your student loan lender(s) and work out a forbearance. It is critical.

They will work with you, but you MUST initiate the process.

Supplementing Your Income in the Interim

If you lose your job, your goal is probably to get another one—and as quickly as possible.

Maybe you'd prefer to stay in the same field; maybe not.

If you plan on retooling yourself for a new career, which might mean additional downtime between jobs due to training or education, then you will need some alternate source of income in the interim.

Or perhaps you're remaining in the same field, but current market conditions mean it will take a while to find a new position.

Whatever the reason, the point remains the same: you need money now.

You may know that we currently live in what is widely referred to as the "gig economy;" it was the topic of a previous article in this series, in fact. People wind up in the gig economy or doing freelance work for a variety of reasons, one of which may be that a main job was lost.

The opportunities in the gig economy are so numerous and diverse that it's pointless to try and list them here; there are plenty of articles, websites, and books out there that offer extensive information on the various freelance industries. I won't attempt to address that here.

You know your skills better than anyone else and you know how much time you can devote to building a supplemental source of income—whether you go with a popular side hustle like Uber or try to establish yourself as a virtual employee.

(Just search popular employment websites like Indeed for “work from home” positions, or peruse prominent site Rat Race Rebellion to discover the wide variety of remote work available.)

If you’ve lost a job, it’s not like you need one more hassle, but there’s one thing to keep in mind if you do start freelancing: that income is TAXABLE. Also, the company or individual paying you generally does not withhold tax on what you earn.

We’ve seen over and over through the years that clients who take on freelance work are almost always unprepared for just how expensive it is from a tax standpoint: this is because you have to pay not only regular income tax on your earnings, but also self-employment tax.

If you find yourself in this position, it’s wise to consult with a tax advisor sooner rather than later. Even if you consider your freelance work to be just a temporary supplement so that you avoid completely depleting your emergency fund.

Also, you never know: You might discover that you love doing that type of work and continue to develop your side gig into a full-time career that gives you a sense of security moving forward.

Retirement Plans

If you participated in your former employer’s retirement plan, you should consider moving your vested funds from the employer’s plan to your own self-directed Individual Retirement Account (IRA).

Or, if you think you may quickly find another job, you might want to consider moving the funds from your previous company’s retirement plan to your new company’s retirement plan.

Not a fan of studying investments and choosing among thousands of options? Then it’s probably a good idea to keep your funds in your company’s retirement plan—they’ve already sifted through all those options and limited the available choices for you, making it far easier to make decisions. Just don’t forget the funds are there!

Health Insurance & Other Insurances

I mentioned it earlier, but it's worth repeating: If you have your health insurance through your employer and your employment terminates, so does your health insurance unless you elect to continue coverage through a "continuation plan" or through COBRA.

(For the record, COBRA stands for "Consolidated Omnibus Budget Reconciliation Act." Your take away from that should be that Congress mandates you be allowed to continue your health insurance that you had with your employer for up to 18 months.)

Neither option may be the right long-term solution for you, but in the immediate aftermath of losing a job, you want to make sure there's no lapse in your coverage. Keep yourself and your family protected.

There is a clock ticking in regards to COBRA:

1. **Your employer has 14 days to provide you with relevant information about how you sign up for COBRA coverage.**
2. **You have 60 days to make a decision.**

Other insurance you may need to address after losing a job would typically be something like disability insurance. I've mentioned disability insurance in several previous When Life Happens. It's often an overlooked insurance type, even though it can be the most important insurance for relatively young folks. Statistically, young people are more likely to become disabled than to die early.

If you have disability insurance with your former employer, make sure you know your options for continuing your disability policy.

Having a great established relationship with a trusted financial advisor when facing the loss of a job can be a real boon in helping you sort through your options and make it through a trying time. If we can ever be of assistance, give us a call at 214-761-8304.

From the desk of David Freeze, CPA/PFS.

Friday, September 6, 2018

CHECKPOINT MARKETING: FEDERAL TAX ALERT

Facebook text:

The IRS announced it has detected a new phishing scam involving unsolicited emails from IRS imposters. Subject lines on the phony emails include “Automatic Income Tax Reminder” or “Electronic Tax Return Reminder.” However, the wording is changing as the scam spreads across the nation. The emails have links that show an IRS.gov-like website with details pretending to be about the taxpayer’s refund, return or tax account. They contain a “temporary password” or “one-time password” to “access” more information. But when a taxpayer tries to access these, they turn out to be a malicious file. Remember: The IRS doesn’t send unsolicited emails and never emails taxpayers about the status of refunds.

#Dallas #financialadvisor #DFW #scams #taxplanning #taxes #scamalert

LinkedIn text:

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Link to image for Instagram:

https://www.checkpointmarketing.net/docs/08_23_19_977758578_FTP_560x292_2.jpg

Monday, September 9, 2018

CHECKPOINT MARKETING: BUSINESS - TAKING A LONG-TERM APPROACH TO CERTAIN INSURANCE DOCUMENTATION

Facebook text:

After insurance policies expire, many businesses throw away the documents related to them. But you may need evidence of certain kinds of insurance even after the coverage has expired. For this reason, it's best to take a long-term approach to "occurrence-based" policies such as general liability, umbrella liability, commercial auto, and commercial crime and theft. Retain documents permanently (or as long as your business is operating). Also consider employment practices liability insurance (EPLI), which protects companies from employee claims of legal rights violations. Keep EPLI documentation permanently, too. Our firm can provide further info. [includes image seen below]

#Dallas #businessadvice #DFW #financialadvisor #businessadvisor #insurance #financialplanning #businessinsurance #businessstrategy

LinkedIn text:

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#Dallas #businessadvisor #DFW #financialadviser #businessadvice #insurancecoverage #financialplanning #businessinsurance #businessstrategies

Twitter text:

Are you a business wondering what to do with paper (and digital) documentation of all your #insurance policies? Put it in a vault! Read up on why: [link] #Dallas #businessplan

Link to photo for Instagram:

https://www.checkpointmarketing.net/docs/07_31_19_932786950_BB_560x292.jpg

Blog post:

After insurance policies expire, many businesses just throw away the paper copies and delete the digital files. But you may need to produce evidence of certain kinds of insurance even after the coverage period has expired. For this reason, it's best to take a long-term approach to certain types of policies.

Occurrence-based insurance

Generally, the policy types in question are called "occurrence-based." They include:

- General liability,
- Umbrella liability,
- Commercial auto, and
- Commercial crime and theft.

You should retain documentation of occurrence-based policies permanently (or as long as your business is operating). A good example of why is in cases of embezzlement. Employee fraud of this kind may be covered under a commercial crime and theft policy. However, embezzlement sometimes isn't uncovered until years after the crime has taken place.

For instance, suppose that, during an audit, you learn an employee was embezzling funds three years ago. But the policy that covered this type of theft has since expired. To receive an insurance payout, you'd need to produce the policy documents to prove that coverage was in effect when the crime occurred.

Retaining insurance documentation long-term isn't necessary for every type of policy. Under "claims-made" insurance, such as directors and officers liability and professional liability, claims can be made against the insured business only during the policy period and during a "tail period" following the policy's expiration. A commonly used retention period for claims-made policies is about six years after the tail period expires.

Additional protection

Along with permanently retaining proof of occurrence-based policies, it's a good idea to at least consider employment practices liability insurance (EPLI). These policies protect businesses from employee claims of legal rights violations at the hands of their employers. Sexual harassment is one type of violation that's covered under most EPLI policies — and such claims can arise years after the alleged crime occurred.

As is the case with occurrence-based coverage, if an employee complaint of sexual harassment arises after an EPLI policy has expired — but the alleged incident occurred while coverage was in effect — you may have to produce proof of coverage to receive a payout. So, you should retain EPLI documentation permanently as well.

Better safe than sorry

You can't necessarily rely on your insurer to retain expired policies or readily locate them. It's better to be safe than sorry by keeping some insurance policies in either paper or digital format for the long term. This is the best way to ensure that you'll receive insurance payouts for events that happened while coverage was still in effect. Our firm can help you assess the proper retention periods of your insurance policies, as well as whether they're providing optimal value for your company.

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Wednesday, September 11, 2018
BROADRIDGE ADVISOR ARTICLE: SETTING A RETIREMENT SAVINGS GOAL

Facebook text:

Many of you realize the importance of saving for retirement - but figuring out how much to save may be stumping you. Head over to our blog and read up on the various factors to consider when determining how much to save.

#Dallas #retirementplanning #DFW #savings #retirement #financialplanning #financialadvisor

LinkedIn text:

Many of you realize the importance of saving for retirement - but figuring out how much to save may be stumping you. Head over to our blog and read up on the various factors to consider when determining how much to save.

#Dallas #retirementplan #DFW #saving #savingforretirement #financialplanning #financialadvisers #retirementsavings

Twitter text:

You know the importance of saving for retirement, but figuring out how much to save may be stumping you. Head over to our blog and read up on the various factors to consider when determining how much to save. [link]

#Dallas #retirementplanning #DFW #savingsgoals

Blog post:

Many Americans realize the importance of saving for retirement, but knowing exactly how much they need to save is another issue altogether. With all the information available about retirement, it is sometimes difficult to decipher what is appropriate for your specific situation.

How much do you need to save?

One commonly cited guideline is that retirees will need approximately 80% of their pre-retirement salaries to maintain their lifestyles in retirement. However, depending on your own situation and the type of retirement you hope to have, that number may be higher or lower.

Here are some factors to consider when determining a retirement savings goal.

Retirement age: The first factor to consider is the age at which you expect to retire. In reality, many people anticipate that they will retire later than they actually do; unexpected issues, such as health problems or workplace changes (downsizing, etc.), tend to stand in their way. Of course, the earlier you retire, the more money you will need to last throughout retirement. It's important to prepare for unanticipated occurrences that could force you into an early retirement.

Life expectancy: Although you can't know what the duration of your life will be, a few factors may give you a hint. You should take into account your family history – how long your relatives have lived and diseases that are common in your family – as well as your own past and present health issues. Also consider that life spans are increasing with recent medical developments. More people will be living to age 100, or perhaps even longer. When calculating how much you need to save, you should factor in the number of years you expect to spend in retirement.

Future health-care needs: Another factor to consider is the cost of health care.

Health-care costs have been rising much faster than general inflation, and fewer employers are offering health benefits to retirees. Long-term care is another

consideration. These costs could severely dip into your savings and even result in your filing for bankruptcy if the need for care is prolonged.

Lifestyle: Another important consideration is your desired retirement lifestyle. Do you want to travel? Are you planning to be involved in philanthropic endeavors? Will you have an expensive country club membership? Are there any hobbies you would like to pursue? The answers to these questions can help you decide what additional costs your ideal retirement will require.

Many baby boomers expect that they will work part-time in retirement. However, if this is your intention and you find that working longer becomes impossible, you will still need the appropriate funds to support your retirement lifestyle.

Inflation: If you think you have accounted for every possibility when constructing a savings goal but forget this vital component, your savings could be far from sufficient. Inflation has the potential to lower the value of your savings from year to year, significantly reducing your purchasing power over time. It is important for your savings to keep pace with or exceed inflation.

Social Security: Many retirees believe that they can rely on their future Social Security benefits. However, this may not be true for you. The Social Security system is under increasing strain as more baby boomers are retiring and fewer workers are available to pay their benefits. And the reality is that Social Security replaces about 40% of a medium wage earner's income, and a little over a quarter of a high wage earner's. [1] That leaves approximately 60% to 75% to be covered in other ways.

And the total is…

After considering all these factors, you should have a much better idea of how much you need to save for retirement.

For example, let's assume you will retire next year at Social Security's full retirement age of 66 and spend a total of 20 years in retirement. Your annual income is currently $80,000, and you think that 75% of your pre-retirement income ($60,000) will be enough to cover the costs of your ideal retirement, including some travel you intend to do and potential health-care expenses. After factoring in the approximately $23,000 annual Social Security benefit you expect to receive, a $10,000 annual pension from your employer, a 3% potential inflation rate, and a 6% expected rate of return in retirement, you end up with a total retirement savings amount of about $400,000. (For your own situation, you can use a retirement savings calculator from your retirement plan provider or from a financial site on the Internet.) This hypothetical example is used for illustrative purposes only and does not represent the performance of any specific investment. Investment returns cannot be guaranteed.2

The estimated total for this hypothetical example may seem daunting. But after determining your retirement savings goal and factoring in how much you have saved already, you may be able to determine how much you need to save each year to reach your destination. The important thing is to come up with a goal and then develop a strategy to pursue it. You don't want to spend your retirement years wishing you had planned ahead when you had the time. The sooner you start saving and investing to reach your goal, the closer you will be to realizing your retirement dreams.

1) SSA Publication No. 05-10024, January 2019;
2)Social Security benefit was calculated using the SSA's Quick Calculator (www.ssa.gov), based on a current annual salary of $80,000. All calculations have been rounded for simplification purposes.

Thursday, September 12, 2018

WRITTEN BY FREEZE SULKOV - WHAT WE'RE READING: RANGE BY DAVID EPSTEIN

Facebook:

Have you bought into the 10,000 Hour Rule? This rule asserts that it takes 10,000 hours of focused, repetitive work in a given area to become an expert. David Epstein challenges that conventional wisdom in Range: Why Generalists Triumph in a Specialized World, and he does so with an entertaining, thought-provoking, page-turning style. Read more of David Freeze's gently interrogating thoughts in today's What We're Reading blog.

#bookreview #Dallas #practicemakesperfect #DFW #entrepreneurship #amreading

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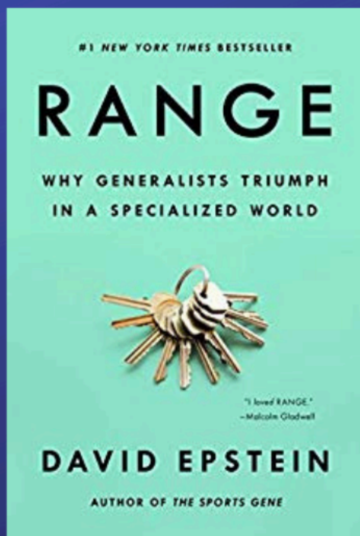
#bookreviews #Dallas #practicemakesperfect #DFW #bookblogger #amreading

Twitter text:

Have you heard the 10,000 Hour Rule? @DavidEpstein challenges this conventional wisdom in Range, & he does so with an entertaining, thought-provoking style. Read more of David Freeze's gently interrogating thoughts: [link] #amreading #DFW #bookblogger #Dallas

Blog post:



Have you bought into—and considered incontestable—the ubiquitous "10,000 Hour Rule?"

This rule was popularized several years ago and says that 10,000 hours of focused, repetitive work in any field is the key to becoming "world class."

In other words, early and pronounced specialization is the key to success in any given undertaking.

Is it truth?

Maybe.

Maybe not.

Epstein challenges that conventional wisdom in *Range: Why Generalists Triumph in a Specialized World*, and he does so with an entertaining, thought-provoking, page-turning style. The book is enjoyable and just *fun* to read.

I'm not going to review the book here, other than those just few preceding paragraphs. I'm not really going to summarize his findings, either. Instead, I just encourage you to give it a read.

At least one of Epstein's challenges is regarding the idea of the head start. Accepted wisdom argues that, if you don't start early and focus on a given skill , you're forever going to be behind other pros in your field. It sounds like it might be true, so we tend to accept it and try to live life accordingly.

But what if I discover, after that initial head start, that what I'm doing is not for me? It's just not *me.* Instead, I discover another field that I'd like to enter instead. Am I doomed to be behind? What do you even call that? (Besides assuming you're an indecisive potential quitter?)

Here's a new term I learned while reading this book: "match quality." This term is used by economists to describe the degree of fit between the work someone does and who they are as a person.

What if you simply do not know what your ideal match quality is as a young child or teenager—right when you're being told by everyone around that, if you don't practice this one sport or instrument, you'll never succeed with it?

Our culture might tell you, "quitters never win, winners never quit."

Small spoiler: this book is going to challenge that. In fact, it's going to turn that trite aphorism on its head.

You'll find engaging stories in *Range* from a variety of disciplines and countries in fields ranging from science to music to sports.

Epstein makes the case that, when our world comprises only specialists, it can leave us, as a culture, in a potential predicament. There are problems that are simply not going to be solved: big problems. Cure-for-cancer and cure-for-Alzheimer's type problems.

Range goes way beyond a philosophical debate often relegated to the purview professors and thought leaders who need to write books and papers. Instead, Epstein exposes how precarious ideas can be. In some ways, I see connections between this book and *Loonshots* by Safi Bahcall, which I wrote about a month ago.

Loonshots talks about nurturing a structure that is an incubator, facilitator, and greenhouse for outrageous-sounding ideas that, when they come to fruition, change our world.

Range talks about the danger of pervasive specialization creating a culture where answers cannot be found—because the right questions are not even being asked. The questions are not being asked because narrow specialization doesn't afford the type of wide thinking that leads to those questions.

The result: we may be delaying the ultimate solution to problems that affect us all.

A personal fear I continue to have is this: what if we are missing the cure to Alzheimer's because a large pharma company is simply not structured in a way that nurtures innovative ideas, and also because those working diligently on the cure are so specialized that they literally cannot see the forest for the trees?

In my own career trajectory, I can say I've largely been a specialist. Within the field of accounting, for decades I focused on taxation. Within taxation, for a stretch of time I tended to focus on oil & gas taxation.

Over the past several years, we have expanded our firm's service offering to holistic, integrated financial planning for individuals, entrepreneurs and families. That has forced me to become far more generalized in my knowledge and practice, and I've found that I love it! Seeing our clients holistically (as opposed to just another tax return to churn out) has allowed our firm to address concerns and questions regarding those things keeping our clients awake at night.

Range doesn't discourage specialization, but rather emphasizes that you need general knowledge in multiple areas both inside and outside your profession as well. And, of course, you still need some very focused specialists you can touch base and connect with. I've observed that exactly be the case on our practice over the past several years.

The result for us: we are better able to serve our clients. That's important to me.

Another book I read recently, *Start With Why* by Simon Sinek, has pushed me to define and understand my "why." Why do it? Why get out of bed and come to work each day?

Grappling with and understanding that ties very much into the concepts and ideas addressed in *Range*—both in my personal life and the continuing development of our practice. *Range* is not only informative; it's inspirational.

Who should read *Range*? Anyone who's curious. Curious about life, about yourself, about people, about your profession. If you have a feeling you're not matched properly with what you do, don't be afraid to entertain that thought and get to know why you're feeling that way.

And, once you understand, don't be afraid to risk change.

Friday, September 13, 2018

BROADRIDGE ADVISOR: FEDERAL TAX ALERT - DATA BREACHES: TIPS FOR PROTECTING YOUR IDENTITY AND YOUR MONEY

Facebook text:

Large-scale data breaches are in the news again, but that’s hardly surprising. Breaches have become more frequent — a byproduct of living in an increasingly digital world. During the first six months of 2019, the Identity Theft Resource Center (ITRC), a nonprofit organization whose mission includes broadening public awareness of data breaches and identity theft, had already tracked 713 data breaches, with more than 39 million records exposed.1 Once a breach has occurred, the “aftershocks” can last for years as cyberthieves exploit stolen information. Get some ways to help protect yourself on our blog today. [link]

#Dallas #financialadvisor #DFW #databreach #cybersecurity #financialplanning #fraudalert

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Get the facts

Most states have enacted legislation requiring notification of data breaches involving personal information. However, requirements vary. If you are notified that your personal information has been compromised as the result of a data breach, read through the notification carefully. Make sure you understand what information was exposed or stolen. Basic information like your name or address being exposed is troubling enough, but extremely sensitive data such as financial account numbers and Social Security numbers is significantly more concerning. Also, understand what the company is doing to deal with the issue and how you can take advantage of any assistance being offered (for example, free credit monitoring).

Even if you don't receive a notification that your data has been compromised, take precautions.

Be vigilant

Although you can't stop wide-scale data breaches, you can take steps to protect yourself. If there's even a chance that some of your personal information may have been exposed, make these precautions a priority.

- **Change and strengthen passwords.** Create strong passwords, at least 8 characters long, using a combination of lower- and upper-case letters, numbers, and symbols, and don't use the same password for multiple accounts.
- **Consider using two-step authentication when available.** Two-step authentication, which may involve using a text or email code in addition to your password, provides an extra layer of protection.
- **Monitor your accounts.** Notify your financial institution immediately if you see any suspicious activity. Early notification not only can stop a potential thief but may help limit any financial liability.
- **Check your credit reports periodically.** You're entitled to a free copy of your credit report from each of the three national credit reporting agencies every 12 months. You can get additional information and request your credit reports at annualcreditreport.com.
- **Consider signing up for a credit monitoring service.** It's not uncommon for a company that has suffered a data breach to provide free access to a credit monitoring service. As the name implies, this service tracks your credit files and alerts you to changes in activity, such as new accounts being opened or an address change.
- **Minimize information sharing.** Beware of any requests for information, whether received in an email, a letter, or a phone call. Criminals may try to leverage stolen information to trick you into providing even more valuable data. Never provide your Social Security number without being absolutely certain who you are dealing with and why the information is needed.

Fraud alerts and credit freezes

If you suspect that you're a victim of identity theft or fraud, consider a fraud alert or credit freeze.

A fraud alert requires creditors to take extra steps to verify your identity before extending any existing credit or issuing new credit in your name. To request a fraud alert, you have to contact one of the three major credit reporting bureaus. Once you have placed a fraud alert on your credit report with one of the bureaus, your fraud alert request will be passed along to the two remaining bureaus.

A credit freeze prevents new credit and accounts from being opened in your name. Once you obtain a credit freeze, creditors won't be allowed to access your credit report and therefore cannot offer new credit. This helps prevent identity thieves from applying for credit or opening fraudulent accounts in your name.

To place a credit freeze on your credit report, you must contact each credit reporting bureau separately. Keep in mind that a credit freeze is permanent and stays on your credit report until you unfreeze it. If you want to apply for credit with a new financial institution in the future, open a new bank account, apply for a job, or rent an apartment, you'll need to "unlock" or "thaw" the credit freeze with all three credit reporting bureaus. Each credit bureau has its own authentication process for unlocking the freeze.

Recovery plans

The Federal Trade Commission has an online tool that enables you to report identity theft and to actually generate a personal recovery plan. Once your personal recovery plan is prepared, you'll be able to implement the plan using forms and letters that are created just for you. You'll also be able to track your progress. For more information, visit identitytheft.gov.

[1] Identity Theft Resource Center, Data Breach Reports, June 30, 2019

Monday, September 16, 2018

CHECKPOINT MARKETING: SMALL BUSINESS - TAKE A CLOSER LOOK AT HOME OFFICE DEDUCTIONS

Facebook text:

Working from home has its perks. You can skip the commute and you might be eligible to deduct home office expenses on your tax return. But you must meet the tax law qualifications. Under current law, employees can no longer claim home office deductions. But if you're self-employed and run a business from your home, deductions may still be available. You might qualify if part of your home is used exclusively and regularly for administrative or management activities and you don't have another fixed location where you conduct the activities. You also might qualify if you physically meet with clients/customers there or you use a storage area in your home for business. Contact us for details. [includes image below]

#Dallas #businessplan #DFW #taxplanning #homeoffice #financialplanning #taxes

LinkedIn text:

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#Dallas #businessplans #DFW #taxplanning #homeoffice #financialplanning #taxes #deductions

Twitter text:

Do you run a business from your home? Or are you otherwise self-employed, using part of your home for business purposes? Then the #homeoffice deduction may give you a valuable tax break! Learn more. [link] #Dallas #taxes #DFW #financialplanning

Link to photo for Instagram:

https://www.checkpointmarketing.net/docs/07_29_19_86544982_SBTB_560x292.jpg

Blog post:

Working from home has its perks. Not only can you skip the commute, but you also might be eligible to deduct home office expenses on your tax return. Deductions for these expenses can save you a bundle, if you meet the tax law qualifications.

Under the Tax Cuts and Jobs Act, *employees* can no longer claim the home office deduction. If, however, you run a business from your home or are otherwise *self-employed* and use part of your home for business purposes, the home office deduction may still be available to you.

If you're a homeowner and use part of your home for business purposes, you may be entitled to deduct a portion of actual expenses such as mortgage, property taxes, utilities, repairs and insurance, as well as depreciation. Or you might be able to claim the simplified home office deduction of $5 per square foot, up to 300 square feet ($1,500).

Requirements to qualify

To qualify for home office deductions, part of your home must be used "regularly and exclusively" as your principal place of business. This is defined as follows:

1. Regular use. You use a specific area of your home for business on a regular basis. Incidental or occasional business use isn't considered regular use.

2. Exclusive use. You use a specific area of your home *only* for business. It's not required that the space be physically partitioned off. But you don't meet the requirements if the area is used

for both business and personal purposes, such as a home office that you also use as a guest bedroom.

Your home office will qualify as your principal place of business if you 1) use the space exclusively and regularly for administrative or management activities of your business, and 2) don't have another fixed location where you conduct substantial administrative or management activities.

Examples of activities that meet this requirement include:

- Billing customers, clients or patients,
- Keeping books and records,
- Ordering supplies,
- Setting up appointments, and
- Forwarding orders or writing reports.

Other ways to qualify

If your home isn't your principal place of business, you may still be able to deduct home office expenses if you physically meet with patients, clients or customers on the premises. The use of your home must be substantial and integral to the business conducted.

Alternatively, you may be able to claim the home office deduction if you have a storage area in your home — or in a separate free-standing structure (such as a studio, workshop, garage or barn) — that's used exclusively and regularly for your business.

An audit target

Be aware that claiming expenses on your tax return for a home office has long been a red flag for an IRS audit, since many people don't qualify. But don't be afraid to take a home office deduction if you're entitled to it. You just need to pay close attention to the rules to ensure that you're eligible — and make sure that your recordkeeping is complete.

The home office deduction can provide a valuable tax-saving opportunity for business owners and other self-employed taxpayers who work from home. Keep in mind that, when you sell your house, there can be tax implications if you've claimed a home office. Contact us if you have questions or aren't sure how to proceed in your situation.

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Wednesday, September 18, 2018
BROADRIDGE ADVISOR POST: INSURANCE NEEDS IN RETIREMENT

Facebook text:

Your goals and priorities will probably change as you plan to retire - and your insurance needs may change as well. Read our blog today to explore various types of insurance as they relate to your retirement plan. [link]

#Dallas #retirementplanning #DFW #financialadvisor #healthinsurance

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Twitter text:

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Blog post:

Your goals and priorities will probably change as you plan to retire. Along with them, your insurance needs may change as well. Retirement is typically a good time to review the different parts of your insurance program and make any changes that might be needed.

Stay well with good health insurance

After you retire, you'll probably focus more on your health than ever before. Staying healthy is your goal, and that may require more visits to the doctor for preventive tests and routine checkups. There's also a chance that your health will decline as you grow older, increasing your need for costly prescription drugs and medical treatments. All of this can add up to substantial medical bills after you've left the workforce (and probably lost your employer's health benefits). You need health insurance that meets both your needs and your budget.

Fortunately, you'll get some help from Uncle Sam. You typically become eligible for Medicare coverage at the same time you become eligible for Social Security retirement benefits. Premium-free Medicare Part A covers inpatient hospital care, while Medicare Part B (for which you'll pay a premium) covers physician care, laboratory tests, physical therapy, and other medical expenses. But don't expect Medicare to cover everything after you retire. For instance, you'll have to pay a large deductible and make co-payments for certain types of care. Medicare prescription drug coverage is only available through a managed care plan (a Medicare Advantage plan), or through a Medicare prescription drug plan offered by a private company or insurer (premiums apply).

To supplement Medicare, you may want to purchase a Medigap policy. These policies are specifically designed to fill the holes in Medicare's coverage. Though Medigap policies are sold by private insurance companies, they must follow federal and state laws. There are 10 standard Medigap plans, except for plans in Massachusetts, Minnesota, and Wisconsin, which are standardized in a different way. Generally, all of

these plans provide certain core benefits, and all but one offer combinations of additional benefits. Be sure to look at both cost and benefits when choosing a plan.

What if you're retiring early and won't be eligible for Medicare for a number of years? If you're lucky, your employer may give you a retirement package that includes health benefits at least until Medicare kicks in. If not, you may be able to continue your employer's coverage at your own expense through COBRA. But this is only a short-term solution, because COBRA coverage typically lasts only 18 months. Another option is to buy an individual policy. You can shop for health insurance through a state or federal health insurance Marketplace, where you can compare plans as to coverages offered and cost. You may also be able to lower the cost of your insurance coverage if you qualify for a premium subsidy.

Don't overlook long-term care insurance

If you're able to stay healthy and active throughout your life, you may never need to enter a nursing home or receive at-home care. But the fact is, many people aged 65 and older will require some type of long-term care during their lives. And that number is likely to go up in future years because people are increasingly living longer. On top of that, long-term care is expensive. You should be prepared in case you do need long-term care at some point.

Unfortunately, Medicare provides very limited coverage for long-term care. You may be covered for a short-term nursing home stay immediately following hospitalization, but that's about it. Other government and military-sponsored programs may help foot the bill, but generally only if you meet strict eligibility requirements. For example, Medicaid requires that you exhaust most of your assets before you can qualify for long-term care

benefits. Even a good private health insurance policy will not offer much coverage for long-term care. But most long-term care insurance (LTCI) policies will.

LTCI is sold by private insurance companies and typically covers skilled, intermediate, and custodial care in a nursing home. Most policies also cover home care services and care in a community-based setting (e.g., an assisted-living facility). This type of insurance can be a cost-effective way to protect yourself against long-term care costs–the key is to buy a policy when you're still relatively young (most companies won't sell you a policy if you're under age 40). If you wait until you're older or ill, LTCI may be unavailable or much more expensive.

Weigh your need for life insurance

If you're married, you want to make sure that your spouse will have enough money when you die. You may also have children and other heirs you want to take care of. Life insurance can be one way to accomplish these goals, but several questions arise as you near retirement. Should you keep that existing policy in place? If so, should you change the coverage amount? What if you don't have any life insurance because you lost your group coverage at work (though some employers let you keep the coverage at your own expense)? Should you go out and buy some? The answers depend largely on your particular circumstances.

Your life insurance needs may not be as great during retirement because your financial picture may have improved. When you're working and raising a family, the loss of your job income could be devastating. You often need life insurance to replace that income, meet your outstanding debts (e.g., your mortgage, car loans, credit cards), and fund your kids' college education in case something happens to you. But after you retire, there's usually no significant job income to protect. Plus, your kids may be grown and

most of your debts paid off. You may even be financially secure enough to provide for your loved ones without insurance.

It may make sense to go without life insurance in these cases, especially if you have term life insurance and your premium has increased dramatically. But what if you still have financial obligations and few assets of your own? Or what if you're looking for a way to pay your estate tax bill? Then you may want to keep your coverage in force (or buy coverage, if you have none). If you need life insurance but not as much as you have now, you can always lower your coverage amount. It's best to talk to a professional before making any decisions. He or she can help you weigh your needs against the cost of coverage.

Take a look at your auto and homeowners policies

If you stay in your home after you retire, your homeowners insurance needs may not change much. But you should still review your liability coverage to make sure it's sufficient to protect your assets. If you're liable for an accident on or off your premises, claims against you for medical bills and other expenses can be substantial. For additional protection, you might consider buying an umbrella liability policy. It's also a good idea to review the coverage you have on your home itself and the property inside it. Finally, if you plan to buy a second home, find out if your insurer will cover both homes and give you a discount on your premium.

Auto insurance raises some similar issues. Review your policy to make sure your coverage limits are high enough in each area. Again, having the right amount of liability coverage is especially important–you don't want your assets to be put at risk if you cause an auto accident that injures other people or damages property. Weigh your need for any coverages that are optional in your state. Finally, look into ways to save on your

premium now that you're retired (e.g., discounts for low annual mileage or senior driving courses).

Friday, September 20, 2018

CHECKPOINT MARKETING: FEDERAL TAX POST

Facebook text:

Avoid “phishing” trips. More than 90% of all data thefts begin with a phishing email, according to the IRS. Cybercriminals use phishing emails and malware to gain control of computer systems or to steal usernames and passwords. One common tactic is “spear phishing.” This is when a thief poses as a trusted source and “baits” the target into opening an embedded link or attachment, which is actually a website controlled by the thief. The IRS warns that businesses are “only as safe as their least educated employee.” So, to increase your company security, ensure that every employee knows how to spot these scams and avoid phishing trips.

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Link to image for Instagram:

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Monday, September 23, 2018

CHECKPOINT MARKETING: ESTATE PLANNING - WHAT'S THE DIFFERENCE BETWEEN THE TWO TYPES OF POWER OF ATTORNEY?

Facebook text:

A crucial component of your estate plan should be the power of attorney (POA). This is a document under which you, as "principal," authorize a representative to be your "agent" or "attorney-in-fact," to act on your behalf. Typically, separate POAs are executed for health care and finances. Generally, POAs come in two forms: nonspringing, or "durable" (that is, effective immediately), and springing; that is, effective on the occurrence of specified conditions. Typically, springing powers take effect when the principal becomes mentally incapacitated, comatose, or otherwise unable to act for himself or herself. Contact us with further questions.

#Dallas #estateplanning #DFW #financialadvisor #powerofattorney

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#Dallas #estateplanning #DFW #financialadviser #powerofattorney

Twitter text:

Do you know the differences between the two types of power of attorney? And why a durable POA is generally preferable to a springing POA? Learn more in today's blog. [link] #Dallas #estateplanning #DFW #financialadvisor

Link to photo for Instagram:

https://www.checkpointmarketing.net/docs/08_01_19_971008182_EPB_560x292.jpg

Blog post:

When drafting your estate plan, you and your attorney must account for what happens to your children and your assets after you die. But your plan must also spell out your wishes for making financial and medical decisions if you're unable to make those decisions yourself. A crucial component of this plan is the power of attorney (POA).

ABCs of a POA

A POA appoints a trusted representative to make medical or financial decisions on your behalf in the event an accident or illness renders you unconscious or mentally incapacitated. Without it, your loved ones would have to petition a court for guardianship or conservatorship, a costly process that can delay urgent decisions.

POAs in action

A POA is a document under which you, as "principal," authorize a representative to be your "agent" or "attorney-in-fact," to act on your behalf. Typically, separate POAs are executed for health care and finances.

A health care POA authorizes your agent — often, a spouse, child or other family member — to make medical decisions on your behalf or consent to or discontinue medical treatment when you're unable to do so. Depending on the state you live in, the document may also be known as a medical power of attorney or health care proxy. Be aware that a POA for health care is distinguishable from a "living will."

A POA for property appoints an agent to manage your investments, pay your bills, file tax returns, continue your practice of making annual charitable and family gifts, and otherwise handle your finances, subject to limitations you establish.

To spring or not to spring

Generally, POAs come in two forms: *nonspringing*, or “durable” — that is, effective immediately — and *springing*; that is, effective on the occurrence of specified conditions. Typically, springing powers take effect when the principal becomes mentally incapacitated, comatose, or otherwise unable to act for himself or herself.

Nonspringing POAs offer several advantages. Because they’re effective immediately, they allow your agent to act on your behalf for your convenience, not just if you become incapacitated. Also, they avoid the need to make a determination that you’ve become incapacitated, which can result in delays, disputes or even litigation.

A potential disadvantage to a nonspringing POA is the concern that your agent may be tempted to abuse his or her authority or commit fraud.

Given the advantages of a nonspringing POA, and the potential delays associated with a springing POA, it’s usually preferable to use the nonspringing type and to make sure the person you name as agent is someone you trust unconditionally.

If you’re still uncomfortable handing over a POA that takes effect immediately, consider signing a nonspringing POA but have your attorney hold it and deliver it to your agent when needed. Contact us with questions.

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Wednesday, September 25, 2018
BROADRIDGE ADVISOR - SOCIAL SECURITY RETIREMENT BENEFITS

Facebook text:

Social Security retirement benefits can be an important piece in your #retirementplanning - check out our blog today and learn more about this program. [link]

#Dallas #financialadvisor #DFW #financialplanning

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#Dallas #financialadvisor #DFW #financialplanning

Twitter text:

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#Dallas #financialadvisor #DFW #financialplanning

Blog post:

Social Security was originally intended to provide older Americans with continuing income after retirement. Today, though the scope of Social Security has been widened to include survivor, disability, and other benefits, retirement benefits are still the cornerstone of the program.

How do you qualify for retirement benefits?

When you work and pay Social Security taxes (FICA on some pay stubs), you earn Social Security credits. You can earn up to 4 credits each year. If you were born after 1928, you need 40 credits (10 years of work) to be eligible for retirement benefits.

How much will your retirement benefit be?

Your retirement benefit is based on your average earnings over your working career. Higher lifetime earnings result in higher benefits, so if you have some years of no earnings or low earnings, your benefit amount may be lower than if you had worked steadily. Your age at the time you start receiving benefits also affects your benefit amount. Although you can retire early at age 62, the longer you wait to retire (up to age 70), the higher your retirement benefit.

You can find out more about future Social Security benefits by signing up for a *my* Social Security account at the Social Security website, ssa.gov, so that you can view your online Social Security Statement. Your statement contains a detailed record of your earnings, as well as estimates of retirement, survivor, and disability benefits. If you're not registered for an online account and are not yet receiving benefits, you'll receive a statement in the mail every year, starting at age 60. You can also use the Retirement Estimator calculator on the Social Security website, as well as other benefit calculators that can help you estimate disability and survivor benefits.

Retiring at full retirement age

Your full retirement age depends on the year in which you were born.

If you were born in:	Your full retirement age is:
1943-1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and later	67

Tip: *If you were born on January 1 of any year, refer to the previous year to determine your full retirement age.*

If you retire at full retirement age, you'll receive an unreduced retirement benefit.

Retiring early will reduce your benefit

You can begin receiving Social Security benefits before your full retirement age, as early as age 62. However, if you retire early, your Social Security benefit will be less than if you wait until your full retirement age to begin receiving benefits. Your retirement benefit will be reduced by 5/9ths of 1 percent for every month between your retirement date and your full retirement age, up to 36 months, then by 5/12ths of 1 percent thereafter. For example, if your full retirement age is 67,

you'll receive about 30 percent less if you retire at age 62 than if you wait until age 67 to retire. This reduction is permanent — you won't be eligible for a benefit increase once you reach full retirement age.

However, even though your monthly benefit will be less, you might receive the same or more total lifetime benefits as you would have had you waited until full retirement age to start collecting benefits. That's because even though you'll receive less per month, you might receive benefits over a longer period of time.

Delaying retirement will increase your benefit

For each month that you delay receiving Social Security retirement benefits past your full retirement age, your benefit will increase by a certain percentage. This percentage varies depending on your year of birth. For example, if you were born in 1943 or later, your benefit will increase 8 percent for each year that you delay receiving benefits, up until age 70. In addition, working past your full retirement age has another benefit: It allows you to add years of earnings to your Social Security record. As a result, you may receive a higher benefit when you do retire, especially if your earnings are higher than in previous years.

Working may affect your retirement benefit

You can work and still receive Social Security retirement benefits, but the income that you earn before you reach full retirement age may affect the amount of benefit that you receive. Here's how:

- If you're under full retirement age: $1 in benefits will be deducted for every $2 in earnings you have above the annual limit
- In the year you reach full retirement age: $1 in benefits will be deducted for every $3 you earn over the annual limit (a different limit applies here) until the month you reach full retirement age

Once you reach full retirement age, you can work and earn as much income as you want without reducing your Social Security retirement benefit. And keep in mind that if some of your benefits are withheld prior to your full retirement age, you'll generally receive a higher monthly benefit at full retirement age, because after retirement age the SSA recalculates your benefit every year and gives you credit for those withheld earnings

Retirement benefits for qualified family members

Even if your spouse has never worked outside your home or in a job covered by Social Security, he or she may be eligible for spousal benefits based on your Social Security earnings record. Other members of your family may also be eligible. Retirement benefits are generally paid to family members who relied on your income for financial support. If you're receiving retirement benefits, the members of your family who may be eligible for family benefits include:

- Your spouse age 62 or older, if married at least one year
- Your former spouse age 62 or older, if you were married at least 10 years
- Your spouse or former spouse at any age, if caring for your child who is under age 16 or disabled
- Your unmarried child under age 18
- Your unmarried child under age 19 if a full-time student (through grade 12) or over age 18 and disabled if disability began before age 22

Your eligible family members will receive a monthly benefit that is as much as 50 percent of your benefit. However, the amount that can be paid each month to a family is limited. The total benefit that your family can receive based on your earnings record is about 150 to 180 percent of your full retirement benefit amount. If the total family benefit exceeds this limit, each family member's benefit will be reduced proportionately. Your benefit won't be affected.

How do you apply for Social Security retirement benefits?

The SSA recommends that you apply three months before you want your benefits to start. To apply, fill out an application on the SSA website, call the SSA at (800) 772-1213, or make an appointment at your local SSA office.

Friday, September 27, 2018

CHECKPOINT MARKETING: FEDERAL TAX POST

Facebook text:

School's back in session. For many parents and students in higher education, that means school bills are also back. To help offset those costs, eligible taxpayers who are footing the bills may be able to reduce the tax owed on next year's tax returns by taking advantage of one of two available tax credits. One is the American Opportunity Tax Credit, which is worth up to $2,500 and is partially refundable (which means that, even if the credit reduces the tax owed to zero, part of the credit can be refunded). The other option is the Lifetime Learning Credit, worth up to $2,000 per year, per tax return, no matter how many students qualify. Learn more here: https://bit.ly/2mdkWZn

#Dallas #backtoschool #DFW #financialadvisor #collegebound

LinkedIn text:

School's back in session. For many parents and students in higher education, that means school bills are also back. To help offset those costs, eligible taxpayers who are footing the bills may be able to reduce the tax owed on next year's tax returns by taking advantage of one of two available tax credits. One is the American Opportunity Tax Credit, which is worth up to $2,500 and is partially refundable (which means that, even if the credit reduces the tax owed to zero, part of the credit can be refunded). The other option is the Lifetime Learning Credit, worth up to $2,000 per year, per tax return, no matter how many students qualify. Learn more here: https://bit.ly/2mdkWZn

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Link to image for Instagram:

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Monday, September 31, 2018

CHECKPOINT MARKETING: INFOGRAPHIC - AVOID COMMON SLIP-UPS WHEN SELLING YOUR BUSINESS

Facebook text:

Read our infographic before you try to sell your business. [includes image below]

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LinkedIn text:

Read our infographic before you try to sell your business. [includes image below]

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Twitter text:

Read our infographic before you try to sell your business. [link]

#infographics #Dallas #financialadvisor #DFW #businessplans #financialplanning #businessadvice

Link to photo for Instagram:

https://www.checkpointmarketing.net/docs/IFF_Selling_1080x1080.jpg

Blog post:

AVOID COMMON SLIP-UPS

when selling your business

Even the most successful entrepreneurs can make deal-breaking mistakes when it's time to sell their companies. To realize a fair price and terms, ***don't:***

1. **Take credit for every success.** Buyers seek businesses that will thrive after their founder's departure. So, tout your management team's strengths, not your own.

2. **Present sloppy financials.** Have a CPA prepare your financial statements before you go on the market.

3. **Set too high an initial asking price.** First let buyers get interested in your company, and then start negotiating price.

4. **Forget tax implications.** Your tax bill can vary significantly depending on how the deal is structured.

5. **Go it alone.** Too much is at stake to sell without the professional advice of M&A experts, valuators, accountants and attorneys.

Contact us for more information on the best way to sell a business.