

Advantage

Your Personal Finance Edge

November–December 2018



Your Holiday Adventure Starts Here!

Reduce Cyber Liability Risks for Your Business

Start Your Own Charity

Unique Holiday Traditions to Try

Frugal & Festive Holidays

8 Tax Tips You Can Use Now

From the Firm

Holiday Help is Here

Can you believe that 2018 is almost a memory and the holidays are creeping up on us once again? Not to mention, all of the year-end planning for your business and/or personal finances that you know you need to tackle. We're here with a new issue of *Advantage* to help you on both counts and more.

Unfortunately, the holiday season brings with it added risks when it comes to cybersecurity and cyber liabilities for businesses and individuals as criminals increase their activities this time of year. If you haven't already, now is the time to check out our tips to help reduce your risks in this area.

If you have ever wanted to start your own charitable organization, this may be the perfect time, as you are likely to have added interest from potential funders and donors during this season of giving (and tax write-off potential). We've compiled a step-by-step guide to help you establish a new nonprofit organization.

We've also got you covered when it comes to holiday cheer with great ideas to keep your festivities fun, fresh...and within your budget. So, be sure to try some of the new traditions and money-saving ideas we've included in this issue.

Of course, the holiday season will eventually wind down and a new year will begin. We encourage you to check out our tax strategies infographic, and see how much you can save in the coming tax season.

Wishing you happy and safe holidays,
Your Trusted Accounting Advisors





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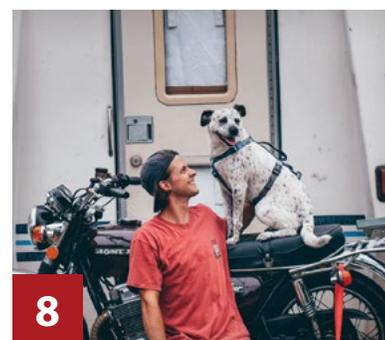
All of the year-end planning for your business and/or personal finances, on top of preparing for the holidays, can be overwhelming. We're here to help with easy tax planning tips, cybersecurity advice, new holiday traditions to try, plus much more!

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Your Holiday Adventure Starts Here!



Spending the holidays at home with your loved ones is something most people treasure. However, you may want to take the family on a holiday adventure now and again. If spending the holidays away from home—whether on U.S. soil or abroad—appeals to you, then now's the time to make your plans.

Want to stay in the USA?

Check out these holiday adventures:

New York City (NYC)

Even if you've been to NYC before, it can be one of the most magical places to experience the holiday season. From Rockefeller Center's famed ice rink and magnificent tree to Radio City Music Hall's Christmas Spectacular starring the Rockettes, NYC has something magical for everyone.

In addition to the traditional holiday highlights including Central Park's skating ponds and horse-drawn carriage rides, the city also hosts the Holiday Market—offering more than 100 vendors. Of course, that's just the start of the shopping. Madison Avenue boasts fashion's biggest names and some absolutely amazing window displays. Even if you're not in the market for high-end gifts, you can still enjoy the seasonal spectacle.

You're likely familiar with the city's Times Square New Year's Eve celebration. But it's another great attraction if you want to wait until New Year's to travel. NYC offers a variety of eateries, entertainment and amazing hotels to fit every taste and

budget. If you want to experience the hustle and bustle of big-city adventures at holiday time, consider making one of America's most iconic cities your destination.

Santa Claus, Indiana

From the bright lights of New York to a special gem of a small town nestled in the heart of the Midwest lies Santa Claus, Indiana. This is a small town where Christmas is celebrated all year long, making it the perfect destination for a little pre-Holiday cheer... especially if you want to take little ones along on your adventure.

In addition to the expected Christmas stores, there's also the Santa Claus post office where you can drop a letter off for St. Nick. A group of volunteers known as Santa's Elves reply to every letter via postal mail. Also visit the Santa Claus Museum and Village (a great place for photo ops) and Santa's Candy Castle.

To get you in the spirit of the holidays for the weeks leading up to Christmas, Santa Claus, Indiana offers an extensive agenda. This includes 1) the Land of Lights display—a 1.2-mile drive around the Lake Rudolph Campground & RV Resort, 2) a traditional parade,

and 3) Santa's buffet dinner at the Christmas Lodge every evening. See the town's full agenda at santaclausind.org.

Feeling more adventurous?

Try these holiday escapes abroad:

Quebec City, Canada

If you'd like to get a taste of Europe without having to leave North America, consider a holiday trip to Quebec City. From the heart of the "old city" where Victorian-era characters host candlelit evenings enacting or reading Charles Dickens tales, visitors will enjoy participating in old-world Christmas traditions.

Unique European-inspired fare can be found at Quebec's German Christmas market, and an exposition of nativity scenes from around the world is also a main highlight of the season. Once you've had your fill of quaint village life and quiet celebrations, you may consider heading to nearby Sentier des Caps de Charlevoix, which offers family-friendly hiking, snowshoeing and skiing.

Bath, England

It may not be the place that jumps to mind when you think of a winter holiday destination, but Bath (the only city in the UK to be designated as a United Nations Educational, Scientific and Cultural Organization World Heritage Site) offers some of the world's finest cultural celebrations of the Christmas

holidays as well as some unique outdoor activities. *Some examples include:*

- The Theatre Royal, which Jane Austen mentions in "Northanger Abbey and Persuasion," is home to a musical celebration accompanied by mince pies and mulled wine in her honor.
- The 18-day Bath Christmas Market features 170-plus wooden chalets with vendors selling hand-made British crafts.
- Bath on Ice is a great outdoor excursion for those who love ice skating.
- Thermae Bath Spa is—you guessed it—a wonderful "whole body" experience. It allows you to indulge in the steamy mineral waters of an open-air rooftop pool while enjoying spectacular views of the city.

The Republic of Malta

Malta offers some truly amazing holiday experiences. A key attraction includes a visit to presejju (or nativity scenes) created by residents who proudly open their shutters and garage doors to display them.

In addition, the Bethlehem f'Ghajnsielem is a life-size nativity experience spanning over 20,000 square meters. Inhabited and animated by over 150 actors comprised of entire families, this "nativity village" takes visitors back in time to Judea of 2,000 years ago. This is complete with oil lamps, grazing animals, crafts

areas teaching traditional skills and folklore, a tavern, and a grotto sheltering the baby Jesus.

In Valletta, carolers singing outside the Baroque St. John's Co-Cathedral during advent and a spectacular display of Christmas lights on Republic Street are true holiday highlights. The city's Manoel Theatre is also widely known for its annual Christmas pantomime.

Barcelona, Spain

If you're planning to extend your break beyond New Year's Day, you may wish to consider heading to Spain to experience the Three King's Day celebration on January 5. On the evening of January 4, Melchior, Gaspar and Balthazar arrive at the city's port on their own ship, Santa Eulalia.

As part of the festivities, cannons are fired, fireworks are set off, and the mayor hands each King the key to the city. Following this ceremony is a parade through the streets that includes camels, elephants, giraffes and dazzling costumes.

These are just a handful of the amazing holiday adventures you can consider taking this season. Use them as a starting point for your own research to create a unique itinerary and celebrate the season in the place that appeals most to you. Safe travels! ■

Source: CNN.com



START YOUR OWN CHARITY

Do you dream of helping to make the world a better place? Do you have a passion or purpose that you feel you must pursue? If so, you may be wondering how to actually make your dream a reality by starting a nonprofit or charitable organization. As it turns out, it's not as hard as you may think. Start by following this advice.

Hone in on your vision and mission.

You likely already have thoughts about what your vision and mission will be, but it is important to crystallize them in your mind and then record them on paper. Doing so increases your chances significantly of making them reality. It also provides a handy visual reference when you need to remind yourself of why you started your charity in the first place.

Write your organizational plan out in black and white.

Hand in hand with writing your vision and mission, you should be writing down your organizational plan. The key is to put a five-year plan together—composed of strategies and tactics including finances, fundraising, marketing and operational needs. This will serve as your roadmap. Your plan will likely change over time, so be sure to amend it at least annually to stay on track.

Select a meaningful name.

While your idea for a new charity may seem unique to you, it's likely that there are several others supporting the same cause. That's not to say you shouldn't move forward. Just be sure to do some research when selecting a name to avoid confusion. Research shows that names of organizations in memory of or attributed to specific people may encourage more donations than those with other naming conventions.

Fast-forward your fundraising.

You can, and should, put your own funds into your charity. You will still likely need to fundraise. You may ask family and friends; however, you'll likely need broader support from other organizations, individuals and foundations. Identifying grant-making organizations that align with your mission is also important. You will no doubt have to make a significant number of calls, schedule meetings and facilitate presentations in order to create a solid financial foundation for your charity.

Create a strategy for standing out.

The National Center for Charitable Statistics (NCCS) estimates that there are over 1.5 million nonprofit organizations in America. Just like a regular for-profit business, you will be competing for the attention and support of your “customers,” also known as donors. This is why clearly differentiating your organization and communicating the passion and emotion connected to your cause is important.

Register as a 501(c)(3) organization.

A 501(c)(3) refers to the IRS code for nonprofit, tax-exempt organizations. Our firm can help you set up this type of entity and advise you on the specific tax and financial regulations you need to follow.

Create an advisory board.

Having a group of mentors is especially important if you do not have any fundraising or nonprofit experience. Even if you are familiar with the charitable world, having others who can offer support in areas where you may be lacking skills can be invaluable. Plus, they can help you spread the word about the good work you want to do.

Fund your operations responsibly.

A good rule of thumb for funding your nonprofit is to have enough cash raised for all of your initial capital requirements and at least one year of operating funds. If you have to use debt, then you should wait until you have the cash on hand to start your charity. It goes without saying, the financial approach for your nonprofit should be a frugal one so that as much money as possible can go toward supporting your mission.

The tips above will help you start your charity, but it is your passion for what you're doing that will keep it (and you) going. Just like any startup, your new nonprofit will require a lot of work and a significant investment of time, money and energy. However, the payoff of giving back should make all of your sacrifices well worth it. ■

Source: Forbes.com

Festive and Frugal Holidays

According to recent holiday shopping surveys, the average American consumer will spend between \$700 and \$1,300 over the holiday season. From gifts to travel and entertaining—all of the holiday trimmings can add up. When holiday indulgences are financed using credit cards it can spell trouble, including a wave of bills that dampen your joy and can cause financial strain for months afterward. However, you can make the most of the holidays without going into debt, especially if you start thinking ahead and taking advantage of the following smart holiday-spending tips

If you are ready to commit to a festive but financially responsible holiday season, here's how to make it happen.

Start by saving up.

There's no doubt that using cash instead of credit for holiday purchases can minimize debt. If you don't have a holiday savings account, consider one for next year and start putting some money aside from each paycheck now to use for future holiday purchases.

Set your budget.

Be realistic and honest about how much you can (and should) spend over the holidays. While it takes discipline, setting a spending limit and sticking to it will keep you from overwhelming debt later. It may be helpful to print your budget and carry it with you when you shop. In addition, keep updating your budget as you spend so you can see where you are and how much money you have left.

Make a list.

Once you have your budget set, make a list of all the items you need to buy. Determine how much you are willing to spend on each person and any events or entertaining you plan to host or contribute to. Don't forget to set aside money for additional groceries or gas if you plan to bake cookies or make trips to see family and friends.

Shop and compare prices online.

Before you hit the mall, surf the internet to compare prices. Online shopping makes it easy to look around for the best price while making it harder to buy on impulse. Once you have completed your online shopping, remember to update your budget and set aside money to pay credit cards used to make purchases.

Make brick-and-mortar retail a mission.

With your list and updated budget in hand, it's time to hit the mall and other retail stores. The earlier you can shop with a focused plan, the less prone you will be to overspending because you just "need to get it done." Avoid purchasing anything for yourself on your holiday shopping trips, unless you budgeted for it! Also, avoid sales that offer discounts for purchasing multiples of one item. This is a

marketing tactic designed to make you buy more than you need.

Tame the trimmings.

Before you pick up wrapping paper, holiday cards and decorations, check out your current stash. You may have more trimmings than you realize, which means you may not have to buy any.

Go light on refreshments.

When it comes to edible holiday treats, be reasonable about how much your family and guests will really eat. While the holidays aren't about going hungry, they can often lead to overspending on food and drinks that are not consumed. This often leads to a lot of waste.

For many people, the holidays are the highlight of the year and they want to celebrate by pulling out all of the stops. While generosity is certainly admirable, most people appreciate simple gestures and would not want their loved ones to go into debt by purchasing extravagant gifts. By sticking to a budget over the holidays, you can relax, enjoy the holidays, and start the New Year with wonderful memories and a clean financial slate. ■

Source: Americasaves.org

Don't Miss These Tax Deadlines



Keep these dates handy to avoid paying penalties

PARTNERSHIP/S CORP TAX DEADLINES

March 15, 2018
Partnership/S Corp
Filing Deadline

September 17, 2018
Extension Deadline

C CORP TAX DEADLINES

April 17, 2018
C Corp Filing Deadline

October 15, 2018
Extension Deadline

ESTIMATED QUARTERLY TAX PAYMENT DEADLINES

1st Quarter 2018
April 17, 2018

2nd Quarter 2018
June 15, 2018

3rd Quarter 2018
September 17, 2018

4th Quarter 2018
January 15, 2019

INDIVIDUAL TAX DEADLINES

April 17, 2018
Individual Filing Deadline

October 15, 2018
Extension Deadline

IRA CONTRIBUTION DEADLINE

April 17, 2018

Please visit
www.irs.gov for additional
updates throughout the year.



**Reduce
Cyber
Liability
Risks
for Your
Business**

As a modern-day business owner, you have more risk exposure than ever before. Each day, more and more information is stored online, and data theft is becoming commonplace...even in small businesses. As such, cyber liability is an area of growing concern for business owners.

The statistics are staggering when it comes to the exposure the majority of businesses face from potential cyber security threats. And unfortunately, these liabilities continue to expand. For example, recent research shows that:

- Almost 50 percent of businesses report they have at least 1 to 5 cyber risks.
- The most expensive cyber risk incidents involve fraud, which averages a loss of almost \$500,000 per incident.
- The most common cyber risks businesses face are computer viruses, followed by insider abuse, and then laptop theft.

Something as simple as an internet connection and customer or employee information stored on your computer puts your business at risk. If any of this information is compromised, your business is required to notify and reimburse all of the victims if there is a financial loss. In many cases, the business will have to monitor victims' credit for a period of time, and general liability insurance does not pay for these types of losses.

Every business is different and every owner has a different level of comfort when assuming cyber risks. Even with the most comprehensive cyber liability insurance coverage, your business still has the responsibility to improve your internal privacy and security measures. Ultimately, prevention is still the best form of insurance against a data breach. Here are a few examples:

- 1 Minimize risk by reinforcing and updating internal controls. Using encryption software on all computers and online communications/transactions is key.
- 2 Implement formal bring-your-own-device policies to align with other company protocols for data security.
- 3 Securely store and dispose of records and equipment.
- 4 Conduct regular employee awareness programs and breach prevention training.
- 5 Consider the security levels of supply chain partners. Often, breaches occur through security gaps in supplier or contractor controls.
- 6 Enlist technology experts. Protecting against data breach is a daunting task for most business owners. Outside technology specialists can help identify risks, brainstorm precautionary measures, and implement effective controls based on the needs of your individual business and industry.

Given the increasing complexity and likelihood of data breaches, you may also find that a cyber liability insurance policy will provide peace of mind. Cyber insurance, unlike traditional business liability insurance, is designed to meet the needs of companies in the digital age. Consider talking with a trusted insurance professional about mitigating your risks in this area. ■

Source: riskmanagementmonitor.com and kahnlitwin.com



Unique **Holiday Traditions** *to try*

Around the globe, people celebrate the winter holidays in different ways. If you are looking to incorporate something new in your holiday traditions, you might want to give these unique holiday traditions a try.

Invite Tio de Nadal, the Christmas log, from Spain

In Spain, families gather to enjoy wonderful meals for the Feast of the Immaculate Conception, which is celebrated on December 8. A favorite part of this tradition is Tio de Nadal, the Christmas Log, which is decorated with legs, a face and a cute red hat. The log is “tucked in” at the end of the night with a blanket and leftovers from the feast in case of midnight hunger. To thank the family for the food, Tio de Nadal leaves presents wrapped in its blanket to be opened the following morning.

Celebrate the Japanese way... with fried chicken

Christmas may not be a national holiday in Japan, but many residents still celebrate the holiday with a visit to Kentucky Fried Chicken! Apparently, this tradition was accidentally started in the 1970s when KFC introduced a special Christmas dinner on its menu for homesick expats. Since then, the tradition has become so popular that orders for the meals need to be placed two months in advance.

Spin some good luck like the Ukrainians

The Ukrainians tell the tale of how the children of a poor widow had no money to buy decorations for their Christmas tree. The spiders in their house heard the story and helped out by spinning intricate webs throughout the tree. In the morning, the sun turned the webs to strands of silver and gold. Today, Ukrainians decorate their Christmas tree with webs to invite good luck in the coming year.

What happens in Wales doesn't have to stay there!

Here's a tradition that can help spread New Year cheer. All you need is the bleached skull of a horse

(or a replica) and a few friends to pull off the old ritual of Mari Lwyd, the Grey Mare. This tradition calls for one person to dress up as a horse (this is where the bleached horse skull comes in) and go from house to house singing with their friends. This tradition is meant to bring good luck, and people often offer the visiting group food or drink.

Bring the Befana tradition home from Italy

Old Saint Nick is not often seen in Italy, but ugly witch Befana is. Befana may not be pretty, but she is kind. Also known as the Giver of Gifts, Befana flies around the world on her broomstick delivering gifts to good children who leave broccoli, spiced sausage and a glass of wine. Want to try this at home? You'll have to wait until after the American yuletide season. Befana visits on the eve of Epiphany, which is January 5.

Mumming from Newfoundland? Why not?

Can you imagine oddly dressed people with unique gaits, indecipherable speech patterns, and wild fashion choices approaching your door? That's pretty normal in December for Newfoundlanders. This tradition is called Mumming, and participants wind their way through neighborhoods singing, dancing and acting out skits in disguise. If you recognize a mummer when they visit, please invite them in for food and drink.

We hope you enjoy trying a few of these traditions at your home. Consider sharing this list with friends and family who may want to be adventurous this holiday season! ■

Source: greatvaluevacations.com



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TAX TIPS you can use now

Taking advantage of tax savings is a gift that keeps on giving. Read on and take advantage of these eight tips before the end of the year.

1 Use up your Flexible Spending Account (FSA) funds.

Make sure you use all of the money in your FSA by December 31 so you don't lose it. Buy new glasses or contact lenses, visit your dentist, and purchase any other necessary (and eligible) over-the-counter medications or items.

2 Make contributions to a qualified education savings account.

Contributing to a child's or grandchild's 529 college savings plan or other qualified education savings plans means that you may be able to claim at least a partial deduction or credit on your state tax return. Be sure to check the tax rules for your state.

3 Make charitable contributions.

Making a donation of clothing or household goods by December 31 allows you to deduct their fair market value on your tax return. If you prefer to make a monetary donation, send in payment by end of the year and make sure you obtain a receipt for your records.

4 Claim miscellaneous tax deductions.

If you claim the standard deduction instead of itemizing personal deductions on your tax return, you may still be able to claim additional deductions to lower your gross income. This can include student tax breaks, electric car purchases and IRA contributions. If you have any investments that have generated deductible losses, you can use the losses to offset any gains.

5 Deduct your car mileage for business use.

If you are self-employed, compare the actual expense method or the IRS standard mileage rate to determine which gives you a larger deduction on your car expenses. Select the method that gives you the greater write-off.

6 Take advantage of the gift tax.

You can gift up to \$15,000 to an unlimited number of individuals before December 31 without filing a gift tax return. If you're married and file taxes jointly, you and your spouse can gift up to \$28,000 per recipient.

7 Maximize retirement plan contributions.

Contribute as much as you can to your 401(k) and other qualified retirement plans by the end of the year in order to lower your tax bill. Keep in mind that you have until April 15, 2019 to fund a traditional or Roth IRA for 2018.

8 Move up deductible expenses.

You may want to reduce your tax bill by moving up as many deductible expenses as possible. This can be especially beneficial to you if your income will be high. For example, make your January mortgage payment in December, giving you extra interest to deduct.

Our firm can help you implement these and other tax planning strategies before the end of the year. Reach out to us as soon as possible so we can offer you customized advice on how to lower your tax bill. ■

Source: efile.com



We take your data security seriously

Protecting your personal data from today's breed of cyber-criminal is a main focus in our firm. We continue to implement best-of-breed technologies and enhance our internal processes to keep your sensitive data safe and secure.

Thank you for making us your trusted advisor.