

THE VALE NEWS  
January 18, 2012  
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Rotary Awareness - A time to promote the importance of Rotary information to club members and awareness of Rotary in the community

## THE VALE NEWS

### Club Calendar & Speaker Assignments

Jan.	25	John Hale - Adam Greshin
Feb.	1	Heli Hietzker - Gail Hietzker - Library
	8	Brian Crandall- Nat'l Senior Games Org.
	15	Ken Friedman - Kathie Friedman - Senior Ass'n
	22	NO MEETING (pres. 1 week)
	29	Jon Jamieson- Darryl Depot 5 Puroclea
Mar.	7	Doug Stoehr - Brian Joslin - Medicare + Suppl.
	14	Dinsmore Fulton - Sarah Seidman from VHAT
	21	Henri Borel - Hospice Rep.

Editor's Note: Please inform Wini (496-6710) of the name of your speaker at least 2 weeks in advance. If you can't get a speaker for that date, please try to trade with another person on the list.

### Birthdays

Jon Jamieson 1/19, Sal Spinosa 1/23; Katie Babic. on 1/15 at 6 Pm, gave birth to Adele Elisabeth Babic weighing 6 lbs. 7 oz, & 21" long. Both mother and daughter doing fine.

### Anniversaries

Dave & Janet Ellison 1/23

Get Well news. Pat Apigian making a quick recovery from hip operation, she can put weight on the leg on the same side as the injured hip, is walking without aid and feels great. But did put off her planned trip to Florida.

Sorry to say, Len Rubin is not doing well. Cards and e-mails would help to cheer him up.

### Meeting News

The Temperature cooled down to 20°F after yesterday's showers leaving icy driveways all over the Valley. Most of our usual attendees made it to the Inn including two guests: Robert McIntyre a Rotarian from Darien, Conn. and Benjamin White.

### Announcements

Lorraine told us that polio has declined to almost zero in India where the Rotary Foundation has administered the Polio+ program.

Heli announced it is time to join the MRV Seniors Association. It costs \$5 for a whole year and enables you to get discounts at many local stores. The \$5 fee will benefit the seniors.

BOD today.

Leo told us he mentors a kid at Waitsfield who was excited about his new dictionary. This program is really a hit with the kids.

Al needs help with cooking on the grill at Mt. Ellen on Saturday for Vermont Adaptive

Ron brought in a box of books he is giving away and hopes we will take all of them.

YBYI -

Manny checked the ice and declared that today we would move the Outhouse out on the pond and asked for helpers following the meeting. Manny told us that Friday, the 20th of Jan. is all booked up but 3 spots are open for Sat, the 21st. E-mail reminders will be sent out to everyone. Next week, Friday is full, Sat. still has openings.

Sponsorship letters are going out today. FYI The spread sheet on the Website lists 75 companies, the company contact, the Rotarian contact, last year's contribution (if any) etc.

**Mini Bucks** - ( \$410 to winner) Al Barillaro had another chance to win but drew the 6 of clubs worth only \$5.

### **Happy Bucks**

Gary Plewak - Happy to have friends here

Betty - It took 4 attempts to get out of her driveway

Sissy - Ralph on comeback trail

Jim Leyton - deliriously happy

Al Barillaro - Julie & husband here for the weekend

John Hale - Driveway in better shape than Dave Ellison's

Monk - Giants won - 2 to go

Ralph - on right side of grass

Bob Holden - Norwich hockey team lost but still in first place

Dave Ellison - Celebrating 30th wedding anniversary at the Round Barn

### **PROGRAM**

Carol Hosford gave Bob Holden a proper introduction for 1st time he has been a speaker. Bob is a real Vermonter and started his accounting practice here; He is a past president of the Vt. Public Accountants and has been a prominent member of other Vt. organizations. His wife is also a born Vermonter. His first job he was an RPA (not a CPA) RPA's dealt with small businesses, while CPA's were based on Big business and public companies. RPA's worked to get permission to do income taxes, like politics - challenged to get on the tax laws. Bob is an enrolled agent to practice before the IRS.

INCOME TAXES 2012 by RJ Holden/ Hall & Holden PC

Magic Numbers.

Filing requirements. Single individuals \$9,500; Over 65 and single \$10,950; Married filing joint \$19,000 add \$1,150 for each if over 65.

Mileage Rates. Business rates 50 cents for 2010. In 2011 the rate goes to 51 cents through 7-1-11 and 55.5 cents for the balance of the year. For charity the rate is 14 cents and medical is 19 cents through July and 23.5 cents thereafter.

1) The election to expense equipment has been increased to \$500,000 for 2010 and 2011, provided your purchases subject to the election do not exceed \$2,000,000. Additionally the 50% bonus depreciation has been extended and will be allowed for equipment purchases and qualified leasehold improvements.

2) Sale of a principal residence. Every 2 Years. \$500,000 gain.

3) The enhanced American Opportunity Education credits have been extended through 2012 ( \$2,500 of which 40% is a refundable credit). Also the \$4,000 deduction for education expenses of higher income individuals has been restored for those with AGI of \$80,000 or \$160,000 per couple. Coverdell's (flexibility on education spending) and 529 Plans for tax free income.

4) Bonus depreciation for businesses has been extended, however for Vermonters the State adds it back into income.

5) Residential energy tax credits for insulation, windows and doors has been extended to 2011 at 30%, but with a maximum credit of \$500 instead of the 2010 amount of \$1,500. The lifetime max has also been reinstated so the cumulative amount since 1-1-2006 cannot be more than the \$500. The credit also includes certain central air conditioners, hot water heaters, boilers and furnaces, air circulators and certain metal roofs with insulation capabilities.

6) Social security payments reduced if you are between 62 and full retirement (which varies based on your year of birth) if you earn over \$14,400 in 2011 and 14,720 for 2012. Social security is taxable if your taxable income plus 50% of your social security exceeds \$32,000 if married or \$25,000 if single. The maximum wages taxed for social security has increased in 2012 to \$110,700, and the employee's percentage has been reduced by 2% to 4.2%. This provides a family making \$100,000 an extra cash flow of \$2,000.

7) Long term care premiums are deductible as well as eyeglasses, hearing aids and other health related expenditures. Cosmetic surgery is not deductible.

8) IRA and Roth IRA are \$5,000 plus \$1,000 if you are over 50. Conversions from Traditional to ROTH available for all, although not necessarily recommended.

9) Low income retirement savers credit 50%, AGI limit \$28,750 single, \$56,500 joint. Maximum credit \$1,000 however they cannot be a full time student.

10) Gifts to individuals over \$13,000 in 2011 may require a gift tax return. A lifetime exclusion for gifts is available for up to \$5,000,000. Requirements for an Estate Tax Return when someone dies is only if the estate exceeds \$5,000,000 in 2011 compared to \$2,000,000 in 2008. The top rate has been reduced to 35%. For 2011 the Vermont Estate tax is applicable to estates over \$2 million.

11) The low long capital gains and qualified dividends will continue to be taxed at a 0% rate if your taxable income is in the 15% bracket through 12-31-12. Your broker will now be reporting your costs as well as selling price on stock transactions to the IRS.

12) The \$1,000 tax credit per child has been extended through 2012.

13) Retirement changes include ROTH and Traditional IRA contributions at higher levels of income as well as stepped up contributions for 401K's up to \$22,000 for those over 50. The direct contribution from your IRA (if over 70 ½) to a charitable organization has been extended to 2012. Thus not having to include the withdrawal in your income.

14) To Itemize or Not. Standard Deduction (\$5800/\$11600). Disaster losses.

15) Self employment taxes no longer reduced by self employed health insurance.

16) To Distribute or Not. Retirement plans.

**THE FOUR WAY TEST**  
of the things we think, say or do:

- 1) Is it the Truth?
- 2) Is it Fair to All Concerned
- 3) Will it Build Goodwill and Better Friendships?
- 4) Will it be Beneficial to All Concerned?

**The Vale News**

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**Club Officers**

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Pres. Elect	Doug. Stoehr
V. Pres.	Gene Scarpato
Treasurer	Dave Ellison
Secretary	Bob Grant

**Committee Chairmen**

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Vocational	Dave Koepele
International	Joe. Goldstein
Club	Al Barillaro
Foundation Chair	Jim Leyton
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