Happy Returns...
Use Your Tax Refund Wisely

Trail Tech: The Newest Fitness Gadgets

The Facts About the Gig Economy

Winning Big: Tax Tips for Gamblers and Gamers

Is Buying Organic Worth It?

Spring Training! Take Our MLB Stadium Quiz
Spring has long been the season of new beginnings, growth, and renewal. In this issue, we're focused on putting a spring in your step with some fresh financial tips and ideas to help you cultivate growth in other areas of your life, too.

Now that we're in the midst of tax season and you may be anticipating at least a modest refund, we've also got some common sense advice on how to use your refund wisely. You may want to use it to start some healthier financial habits (like creating an emergency fund) or even as funding for your foray into the gig economy—we've got details about that in this issue as well.

It's probably safe to say that your likelihood of getting a tax refund is much greater than your chances of winning the next big lottery jackpot, but if this winter's Powerball hoopla had you purchasing a few tickets “just in case” or if you like to play casino games, be sure to read our article on the tax implications related to gambling winnings.

If your focus is more on health than instant wealth, check out our round-up of tech gadgets that can help you get back on track with your running or hiking routine or, if you're a regular on the fitness trails, help you to reach your personal best.

We appreciate your business—if you need assistance this tax season please don't hesitate to contact us.

Sincerely,

Your Trusted Accounting Advisors
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Happy Returns...How to Use Your Tax Refund Wisely

For most taxpayers, the light at the end of the tax season tunnel is the hope of a refund. Many of us view a tax refund as ‘bonus’ cash; however, it really should be utilized just as any of your other income would be and managed purposefully. So if you’re anticipating a tax refund this year, make sure you have a plan for your money.

Prior to receiving any tax refund, think about your personal financial situation to determine what your needs are. The following 10 ideas can help you prioritize your financial picture and plan how to use your refund wisely.

1. **Save for a rainy day—or a stormy one**
   Although it may not seem like a very exciting way to use your refund, the peace of mind that establishing or adding to your emergency fund will give you is priceless. Financial experts advise that your fund should have about six to eight months’ worth of savings in an easily accessible interest-bearing account. Your refund is the perfect vehicle for making a lump sum deposit into this type of financial cushion.

2. **Reduce high-interest debt**
   Next to putting money away for a monetary emergency, paying off any high-interest debt you may have is the next best thing you can do to strengthen your financial...
position. This may include paying off credit card balances, payday loans, title loans, debt consolidation loans, high-interest private student loans, and car loans.

3 Make a list of needs...not wants
If there are some necessity items that you desperately need such as repairs on your vehicle, dental check-ups for your children, or an essential house repair, a refund can provide the 'extra' funds to cover the costs. Just be sure that any spending you do is on essential items.

4 Refinance your mortgage or upgrade your home
With relatively low mortgage rates now available, you may want to consider refinancing your mortgage to save money each month with a lower mortgage payment. Your refund can be helpful in providing funds from which to pay your closing costs and fees when you refinance your mortgage. If you feel that you have the best available mortgage rate, using your refund to do a few home improvements can be a smart move. For example, renovating your kitchen could help you increase your home value. Or perhaps there is a must-do project like putting a new roof on your house.

5 Make a budget and fund it
If you don’t already have a budget, receiving your refund may be the incentive you need to create one. Once you have your budget organized, consider using your refund to seed bank accounts for key purchases such as holiday gifts, car down payments, college savings and the like.

6 Top-up tax-sheltered accounts
Using your tax refund to start or top-up a traditional or Roth IRA (Individual Retirement Account) or to contribute to a 401(k) or a 529 college savings plan offers you a double bonus. Not only will you be compounding dollars and interest for your future retirement or college tuition needs, but you may be creating a deduction for next tax season as well.

7 Invest in a taxable account
If you have already contributed the maximum to your tax-sheltered accounts, consider investing in stocks, bonds, and mutual funds either independently or through a financial advisor who can guide you.

8 Make a meaningful charitable gift
When you are on a tight budget, making donations to worthy causes may not be possible. However, if you have taken care of some of the other items above, and you have some extra money from your refund, contributing to a good cause that you feel passionate about is an excellent use of capital. Your generosity may also offer you a tax deduction.

9 Turn a vision into reality
If you have some funds leftover from your refund after taking care of savings, debts, and necessities, maybe this year’s tax refund can go towards funding a dream—like a family trip to a memorable location or even starting your own business.

10 Go ahead... Treat yourself!
If you have checked tips one through nine off of your list, you deserve a treat. Just make sure your splurge is a) planned and b) within your budget. So whether it is a fancy dinner for two or a getaway to a longed-for destination—enjoy it thanks to your tax refund. After all...you earned it!
The Gig Economy—Should You Get Into It?

It’s the new face of the self-employed small business owner: someone who leverages online platforms such as Airbnb, Rover, EatWith, Uber, and TaskRabbit to provide services for people that they have never met—and likely will never see again. It’s called the “Gig” or “Sharing” economy, and if you’re thinking about diving into it, consider these pros and cons before you do.

For some people, participating in the Gig Economy may seem like a haphazard approach to earning a living, but for others the freedom, variety, and unconventional way of working is very attractive. Here are 6 tips to help support your success:

1. Be realistic
You’ll likely earn a lot less than most platforms claim you will, and you’ll have costs that significantly eat into your income. If you provide rides through Uber or Lyft, you’ll
pay for gas, tolls, wear and tear on your car, and possibly higher insurance costs (if you can get insurance at all). If you work through Airbnb renting out a room or your home, you’ll have laundry, cleaning, higher utility bills, and potentially some breakage or theft to contend with.

2 Keep track of money
Utilize a professional accounting firm and track all your expenses (they’re tax-deductible) and all your income. If you drive for a ride company, log how much you drive your car for business versus personal use. Set up a separate business bank account and use one credit card solely for business expenses. And remember, as a self-employed worker, you’ll have to pay taxes to the IRS quarterly. Set aside money for this each month.

3 Get insured
Most personal insurance policies don’t cover incidents when you are being paid to provide the services. An Airbnb guest who slips and falls at your home may not be covered by your insurance since they’re paying you to stay there. Your auto insurance is likely not to cover you if you’re working for a ride company at the time of an accident. Closely examine the insurance offered by the platform you’re interested in using to see what it actually covers.

4 Look after your health care
If you don’t have employer-provided health benefits, you’ll need to take care of your health insurance. Thanks to the Affordable Care Act, you can get health insurance even as an individual.

And remember, as a self-employed worker, you’ll have to pay taxes to the IRS quarterly.

5 Create a customer database
Although customers will find you through the platforms you use to deliver your services, it’s more profitable for your business if they return to you directly. So give out your own business card, and whenever appropriate, ask for satisfied customers’ contact info. Create a database and use an email newsletter service to keep top of mind with these clients.

6 Be careful
Strangers are coming into your car or into your home. While some platforms do basic background checks on providers, none perform checks on customers. Don’t rely on the platform to protect you. Be cautious and use your own judgment if a situation feels unsafe.

The bottom line: You can make some money in the gig economy, but you should know what you’re getting into.

Source: USA Today
Tech on the Trails: Gadgets for Runners, Hikers and Walkers

Whether you’re a seasoned runner, experienced hiker, or a novice fitness walker, there’s a ton of technology available to help you hit the trails, pavement, or treadmill more safely and to improve your personal best. Check out these gadgets and apps to maximize your performance.

While exercise can certainly be therapeutic and allow you to get away from it all for a little while, it can also be a way to challenge yourself and feel the satisfaction of meeting a personal goal. These apps and gadgets can help you quantify the results of your running, hiking, or walking efforts.
On the move?
There’s an app for that!
For runners, hikers, and walkers carrying smartphones, the running app market is full of possibilities for tracking, mapping, and measuring runs. Runmeter, for instance, is a GPS-enabled iOS fitness app that offers real-time and post-workout information. It gives runners information about pace, speed, and heart rate. Using text-to-speech technology, it also can offer runners encouraging comments from friends.
Runmeter isn’t just about measuring the information about a run. It also logs and stores it so that runners can track their progress over time. Workouts can also be posted to your iPhone calendar.

On time and on task with fitness watches
Workout-friendly watches are becoming popular fitness accessories. With GPS, tracking, measuring, timing, and heart rate monitoring capabilities, these watches give active people more than just the time of day.
For example, the Timex Ironman Run Trainer 2.0 measures everything from distance to heart rate, and it gives runners instant access to all of the data it collects. It is much like the console on a treadmill...but offered within a smaller package.

Advancement via athletic analysis
Many of the technologies used by runners, hikers, and walkers focus on measuring, analyzing, and tracking distance and performance data and information. For those who want to take it several steps further, there are biometric video devices that can be used for thorough analysis of stride, posture, and other mechanical indicators.

Workout-friendly watches are becoming popular fitness accessories.

Some video applications allow for angles to be measured, lines and circles to be drawn, as well as the elapsing of time—which can be beneficial in the training process. The detailed analysis available through a variety of devices and gadgets ultimately can teach users what’s happening in their bodies and how they can become better runners.

Of course, even with the high-tech gear available, sometimes it’s even more beneficial just to unplug and let your fitness activity be a true escape. ■

Source: TechNewsWorld

Don’t Miss These Tax Deadlines
Keep these dates handy to avoid paying penalties:

Business Tax Deadlines
• March 15, 2016
  Filing Deadline
• September 15, 2016
  Extension Deadline

Estimated Quarterly Tax Payment Deadlines
1st Quarter:
  April 18, 2016
2nd Quarter:
  June 15, 2016
3rd Quarter:
  September 15, 2016
4th Quarter 2016:
  January 15, 2017

Individual Tax Deadlines
April 18, 2016
  Filing Deadline
October 17, 2016
  Extension Deadline

IRA Contribution Deadline:
April 18, 2016

Please visit www.tax.gov/calendar for additional information
Winning Big: Tax Tips for Gamblers and Gamers

Missed the Powerball jackpot? Be prepared for next time with these tax tips.

With all of the recent hoopla about the potential Powerball jackpot, it's worth noting that regardless of how large the purse is, when it comes to lotteries, gaming, and gambling, few people consider the tax consequences prior to winning.

Depending on the size of the prize, what might seem like nothing more than a fun distraction actually carries significant tax consequences for winners. As is often the case, the federal and state governments single out casino winnings for unique taxes of their own. Failure to properly report your winnings can result in serious penalties.

Follow these rules to stay on the safe side:
Gamblers are lucky in that casino taxes are not progressive like income taxes are. That is, you will owe the same percentage to the IRS on a $100,000 jackpot as one worth $10,000.

It’s important to know the thresholds that require reporting. As Bankrate.com explains, winnings in the following amounts must be reported:
- $600 or more at a horse track (if that is 300 times your bet)
- $1,200 or more at a slow machine or bingo game
• $1,500 or more in keno winnings
• $5,000 or more in poker tournament winnings

All of these require giving the payer your Social Security number, as well as completing IRS Form W2-G to report the full amount won. In most cases, the casino will take 25 percent off your winnings for the IRS before even paying you. Don’t get any crafty ideas about cutting Uncle Sam out of the transaction, either. According to Bankrate.com, this entitles the casino to withhold up to 28 percent of your winnings.

Reporting smaller winnings

Even if you do not win as much as the amounts above, you are still legally obligated to report. This is done on Line 21 (“Other Income”) of Form 1040. This is also where you would report any awards or prize money you won during the year in question. Yes, even if you only win $10, you still technically have to report it (even if the casino didn’t). Gambling income plus your job income (and any other income) equals your total income. Fortunately, you do not necessarily have to pay taxes on all your winnings. Instead, if you itemize, you can offset taxes owed on your winnings by reporting any losses you incurred as well. This would be done on Line 28 (“Other Miscellaneous Deductions”) on your Schedule A.

You are allowed to claim as much as the total amount won that appears on your 1040, which would eliminate your taxable gambling income. Just be sure any deductions taken this way (in combination with other itemizations) are higher than the standard amount. Otherwise, it would make more sense not to itemize, even if it meant foregoing your gambling loss deductions.

Fortunately, you do not necessarily have to pay taxes on all your winnings.

Gamblers often inquire about taxes on money won at an Indian casino. Some assume that because Indian reservations have unique tax arrangements with the federal government, this somehow must extend to gamblers on their property. Sadly, that is not so.

The IRS does not care if you won the money on Indian land, the Las Vegas strip, or anywhere in between.

What about state taxes?

In addition to federal taxes payable to the IRS, many state governments tax gambling income as well. Unfortunately, states have their own unique formulas and rules for gambling income. Some levy no gambling taxes at all. Others charge a flat percentage, while still others ramp up the percentage owed depending on how much you won. When in doubt about any taxes you may be obligated to pay on your winnings, please refer to your own state’s policies or check with our office.

Source: Intuit.com
Pricey Produce: Is Buying Organic Worth It?

More and more organic produce and food products are appearing on grocery store shelves, touted as being healthier, more nutritious, and more environmentally friendly than other alternatives. While some consumers are choosing to go organic, others are skeptical whether the higher prices are justified. Read the facts below so that you can decide for yourself.

Just how much more expensive is it to go organic? You can expect to pay 50 to 100 percent more for organic foods. That’s because, in general, it is more labor-intensive, and without the help of pesticides, the yield is not always as favorable. Common sense suggests that consuming foods with fewer pesticides will be better for you—but according to many health experts (including researchers at The Mayo Clinic), the benefits are generally not enough to justify paying significantly more.

For the most part, research shows that organic foods do not necessarily have more health and nutrition benefits. While the pesticide content of fresh produce will be higher when it’s grown using conventional methods, The United States Department of Agriculture (USDA) regulations...
ensure that it’s still at safe levels. The American Dietetic Association’s stance is that no evidence exists that organic foods are superior over traditional foods, and that food does not have to be organic to be safe and environmentally friendly. The organization recommends focusing on eating food grown close to where you live so that the environmental impact of transporting food around the country is minimized.

One thing the experts agree on: Regardless of whether you choose locally grown, organic, or conventional foods, the important thing is to eat plenty of fruits and vegetables. The health benefits of such a diet far outweigh any potential risks from pesticide exposure. Experts also recommend spending most of your organic food dollars on produce, as these non-organic items are the most likely to contain pesticides.

The price of buying organic food—When is it worth it?
To maximize your organic food dollar, the Environmental Working Group, a nonprofit organization based in Washington, D.C., recommends going organic on the “dirty dozen.” The following are types of produce that are most susceptible to pesticide residue:
- Peaches
- Apples

What Defines Food as Organic?

Don’t confuse terms such as “free-range,” hormone free,” or “natural” with organic. These food labeling terms are not regulated by law. The USDA has created an organic seal. Foods bearing it are required to be grown, harvested, and processed according to national standards that include restrictions on amounts and residues of pesticides, hormones, and antibiotics. Also keep in mind:
- According to the USDA, produce can be called organic only if no pesticides, synthetic fertilizers, or genetically modified organisms were involved in its growth.
- Meat is considered organic only if the animal was raised in a natural setting, was fed 100 percent organic feed, and didn’t receive any antibiotics or hormones.
- When it comes to packaged foods, however, federal officials allow for a bit of wiggle room.
- If a label says “100 percent organic,” that means the product was made solely with organic ingredients, no ifs, ands, or buts.
- A label that simply says “organic” on the other hand, means 95 percent of the ingredients are organic. That other 5 percent, not so much.
- A product that boasts of being “made with organic ingredients” means that at least 70 percent of the ingredients are organic.

- Sweet bell peppers
- Celery
- Nectarines
- Strawberries
- Cherries
- Pears
- Grapes (imported)
- Spinach
- Lettuce
- Potatoes

And which organic produce is probably not worth the added expense? The group lists these 12 items as having the least pesticide residues:
- Papayas
- Broccoli
- Cabbage
- Bananas
- Kiwifruit
- Sweet peas (frozen)
- Asparagus
- Mangoes
- Pineapple
- Sweet corn (frozen)
- Avocados
- Onions

You can help keep your organic grocery costs down by shopping for sale items, comparing prices, buying locally grown products either at farmers’ markets or via a co-op. The sale of organic foods in large grocery store chains is also likely to help keep prices down in the long run. Source: WebMD
Take America’s Beloved Baseball Stadium Quiz!

With just a few weeks until baseball season is in full swing, it’s the perfect time to start planning for opening day at ballparks around the country. How much do you know about America’s most beloved baseball stadiums? See if you can answer these questions correctly, then show off your knowledge to fans around you during the next seventh-inning stretch.
1. What is the oldest ballpark in America that is still being used today? 
**Answer:** Fenway Park. 
Opened in 1912, Fenway Park is the oldest Major League Baseball stadium currently in use. It is the home of the Boston Red Sox.

2. “Take me out to the ballgame” is sung during what inning? 
**Answer:** During the seventh-inning stretch. 
The 1908 Tin Pan Alley song has become the unofficial anthem of baseball. The song is traditionally sung during the seventh-inning stretch.

3. Which baseball team uses the same stadium as the city’s football team? 
**Answer:** The Oakland A's 
The A’s and the Oakland Raiders share The Coliseum.

4. In which ballpark can you get the famous Primanti Brothers sandwich featuring meat, coleslaw, tomatoes, and French fries piled on thick Italian bread? 
**Answer:** A Pittsburgh staple, you can get the Primanti Bros. sandwich at PNC Park during Pirates games.

5. Which team features a “sausage race” between a brat, Polish sausage, Italian sausage, hot dog, and chorizo at every home game? 
**Answer:** Klement’s Racing Sausages are the mascots that race at the bottom of the 6th inning at Milwaukee Brewers games. Other famous mascot races include the Pittsburgh Pierogies and the Washington, DC Presidents Race.

6. You can catch a game from residential building rooftops outside which stadium? 
**Answer:** The “Wrigley rooftops” in Chicago are residential buildings where fans can watch Cubs games and other events.

7. Which of “The Racing Presidents” at Washington Nationals’ games is a fan favorite among fans who are baffled by his inability to win? 
**Answer:** Teddy Roosevelt didn’t break the finish line for the first time until the final regular season game of 2012, a streak that lasted nearly seven full seasons.

8. True or false? At AT&T Park in San Francisco, a “Splash hit” is a home run by a Giant player that lands in McCovey Cove. 
**Answer:** True. Splash hits are officially recorded as Giants players who have hit home runs that landed in the cove on the fly. Barry Bonds did it 35 times.

9. This one-time railroad center has the former B&O Warehouse incorporated into the architecture of the ballpark. 
**Answer:** The former warehouse built by Baltimore and Ohio Railroad was converted to offices with the opening of the new Orioles ballpark in 1992. It was incorporated into the architecture of the stadium instead of being demolished.

10. The largest ballpark by seating capacity in Major League Baseball is? 
**Answer:** At 56,000 seats, Dodgers Stadium in Los Angeles is the largest. It is also the third oldest ballpark in the league, behind Wrigley Field and Fenway Park.

Source: Geico’s Baseball Park Quiz
Time is running out...

The April 18 tax deadline is approaching fast—have you filed yet? Take advantage of our convenient, paperless process.
But hurry—time is short!