

On the

[MONEY]

Registered Investment Advisor

www.VintageFS.com

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From the Grapevine...

Our staff seems to just keep getting smarter and smarter! In recent months two more of our professionals have passed exams and/or earned new designations.

Niki Barnes passed the Registered Paraplanner exam to become a RP® back in August. The coursework and exam cover financial planning, but not as extensively as the Certified Financial Planner curriculum, which takes 2-3 years to complete.

John Owens, who passed the CFP Board exam last year recently passed the third of the three required exams to become an Enrolled Agent, a tax designation offered by the IRS. See more on the EA designation in the article on page two.

Congratulations to Jim Burns on his October marriage to Angela DiNicola. They were married in Detroit at the beautiful Sweetest Heart of Mary church and had a reception in Livonia. Most of the Vintage team was able to attend. Jim and Angie honeymooned on St. Lucia in the Caribbean.

WHO'S YOUR TAX PLANNER?

As we write this, Congress is wrestling with what could be the biggest tax reform package in over 30 years. While there may be major changes to income tax law from 2017 to 2018, there is always an opportunity to reduce your tax bill with some smart tax planning.

It should be noted that there is a big difference between tax planning and tax preparation. Tax preparation takes place after the year is over when there's little you can do to change your tax bill. Tax planning, on the other hand, is proactive and needs to take place before the year is out to implement strategies to accelerate or defer income or capital gains, make Roth conversions, take or defer certain itemized deductions and many other strategies that could reduce your tax bill.

So who is your tax planner? Brokers and most financial advisors make it clear that they won't give you tax advice with disclaimers to "consult your tax advisor." Tax preparers are often so busy during tax season that they can only prepare last year's return and most people don't see them toward the end of the year when it's best to implement tax saving strategies.

With the already complex tax laws that may change significantly, you really need a knowledgeable professional to proactively review your situation. At Vintage, we offer that expertise to all of our clients as part of our wealth management services. If you're not one of our clients, learn how we can help improve your financial position at www.VintageFS.com.

WHAT'S AN ENROLLED AGENT?

John Owens recently passed the third EA exam, the last exam on the way to earning the Enrolled Agent designation. As we add yet another designation here at Vintage, it may be helpful to explain what exactly it is.

Enrolled Agent (EA) is a credential awarded by the Internal Revenue Service. Once admitted to practice before the IRS, the EA can represent any taxpayer, on any tax matter, in front of any IRS office. Unlike an attorney or CPA, who are licensed by individual states, an EA is licensed by the IRS allowing them to represent taxpayers from any state.



HOW IS AN EA DIFFERENT?

While the CPA is better known than the Enrolled Agent, the body of work to become an EA is quite different. There's a much narrower focus for the designation compared to the CPA, with three exams split between Individual Taxation, Business Taxation, and Representation and Practice before the IRS. CPAs, on the other hand, have requirements related to GAAP accounting and company audits, a broader focus than the EA.

Given its focus on taxation, the EA designation comes with significant continuing education requirements. It requires a minimum of 72 hours of continuing education over each three year enrollment cycle.

IS THE EA A NEW DESIGNATION?

While not well known, the EA actually traces its roots back to the years after the Civil War, making the EA one of the oldest tax designations around. The original Enrolled Agents were charged with representing citizens whose property was confiscated by the government as part of the war. Interestingly enough, the designation pre-dates our modern-day income tax system that came into law in 1913.

WHAT DOES AN EA DO?

In large part Enrolled Agents prepare tax returns for individuals, trusts, estates, and businesses. But their work isn't limited to that. EA's can provide written tax advice on particular issues, or can be designated by someone to be their representative before the IRS.

By adding the EA to the growing list of designations attained by our staff, we'll continue to grow our tax expertise. Given its singular focus, and significant continuing education requirements, our clients will further benefit from expanded in-house tax planning and preparation knowledge.

OUR STAFF'S OTHER DESIGNATIONS INCLUDE:

- CFP Certified Financial Planner (5 + 2 candidates)
- CPA Certified Public Accountant
- CIMA Certified Investment Management Analyst
- CLU Certified Life Underwriter
- RP Registered Paraplanner

MEET PAM TASSINARI

Vintage has been growing nicely in recent years and we're pleased to announce a new member of the Vintage team. Pam Tassinari joined us in September and will assist Candace Kinsler and Niki Barnes with account administration and client service.

Pam is a graduate of Michigan State University where she majored in Communications. She's lived in North Carolina, Kentucky and Mississippi over the years and lives in Plymouth now. Her background includes positions in human resources, upscale retail, and most recently, managing a small business in downtown Ann Arbor. Pam has four children, three of whom are currently in college.

FASTER TRADES, BUT NOT THAT FAST

Earlier this year, the SEC shortened the standard settlement cycle for most securities transactions from three days to two. Known in the industry as T+3, for trade date plus three business days, the standard became T+2 starting on September 5th.

The settlement cycle was designed years ago to allow stocks to trade during trading hours at one price, but then allow the seller and buyer time to produce the stock certificate and cash to settle up later. Paper stock certificates are rarely used anymore and things move much faster in today's internet world so the cycle has been shortened somewhat.

Investors should keep in mind that it may still take three business days or more to liquidate a stock or mutual fund and have the cash transferred from their brokerage account to their checking account. That's not Amazon fast, but it is faster than it was.

SOCIAL SECURITY BENEFITS

Younger people often discount the prospect of Social Security as an income source in retirement, but the fact is that it provides one third of the income for elderly Americans. Among elderly married couples, half of them receive at least 50% of their income from Social Security.

The Social Security Administration recently announced that retirement benefits will increase by 2.0% for 2018, though much of that increase could be offset by higher Medicare premiums.

How much you'll collect from Social Security depends on your income during your working years and when you begin to take benefits. According to the Social Security Administration, the average monthly benefit for 2018 will be about \$1,400 or \$16,800 per year. Maximum benefits based on starting age are below.

MAXIMUM SOCIAL SECURITY BENEFITS

Starting Age	Monthly	Annual
62	\$2,159	\$25,908
65	\$2,589	\$31,068
66	\$2,788	\$33,456
70	\$3,698	\$44,376

To see your benefit statement visit www.ssa.gov.

VINTAGE COMMUNICATIONS

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You can also find the more social side of Vintage on our Facebook page at www.facebook.com/VintageFS.

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