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Make time for some last-minute tax savers

That ticking you hear is the tax clock winding down – quickly. There is only a very short time left to cut your taxes for 2015. Here are moves you can still make before year-end.

- If you believe you will owe state or local taxes, consider prepaying them before the end of the year in order to claim the deduction in 2015. (Be aware of alternative minimum tax consequences.)
- Use your credit card to purchase (and deduct) items in 2015. Using a credit card lets you take a deduction when the purchase is made, not when the card balance is paid. You can use the credit card rule for both business and personal transactions.
- If you're a business owner and need additional furniture, fixtures, equipment, and computers to operate your business, consider making the purchases before the end of the year in order to qualify for the Section 179 expensing deduction.
- Don't ignore stock losses, since they can be used to offset stock gains. If you have unrealized losses for 2015, consider selling those positions to offset any gain transactions you might have made. You can also deduct up to \$3,000 in net capital losses against other income. Net losses greater than \$3,000 can be carried forward and used on your 2016 tax return.
- Consider making a deductible traditional IRA contribution. If you qualify, you can contribute up to \$5,500 for 2015, plus an additional \$1,000 "catch up" contribution if you are age 50 or older. You have until mid-April 2016 to make your contribution and still take a deduction for 2015.
- Maximize your employer tax-deferred retirement accounts, such as 401(k), 403(b), or 457 plans.
- Donate appreciated stock or mutual funds to charity. You receive a deduction for the appreciated value, but you don't have to report or pay taxes on any of the appreciation.

Give us a call for more tax-saving tips that you can fit in before December 31.

Customer service: Do your employees walk the talk?

Good customer service leads to repeat sales and referrals, which lead to higher revenues and profits. The result is a stronger, more secure business.

Your sales staff knows this well. Their results are directly affected by customer perceptions. Other employees, such as those in support and back office functions, may not think of themselves as serving the customer. But every employee has an impact, direct or indirect, on customer experience. An incorrect shipment, a late delivery, or a mistake on an invoice, all result in poor service. Make it a goal of your business to meet, and preferably exceed, customer expectations as often as possible.

How do you teach every employee that customer service is part of the job? The answer is a combination of communication, training, and good management.

- **Communicate.** Make all employees aware of the importance of customer service to the business as a whole. Explain the role they play in providing good service. Consider posting measures of sales for all to see. If appropriate, develop measures of accuracy or error-free performance and track and share the results.
- **Educate.** Provide training to every employee with customer contact. Emphasize the ways cooperation and teamwork can contribute to good service. Instill a service-minded culture so customer service becomes everyone's job.
- **Good management.** As the owner or manager, your actions and your priorities set the tone for the company. Employees follow your lead and pay attention to what you consider important. Look for ways to measure customer satisfaction and show your employees that you're monitoring it. And remember the other way to improve customer service – minimizing the things that go wrong. Make sure you're aware of errors and complaints. Set goals for improved performance and hold people to them.
- **Finally, involve your employees.** Make it clear that better service is a shared goal and ask for suggestions. You might be surprised how quickly good customer service becomes more than mere talk.

Give financial gifts this holiday season

When planning gifts for children on your holiday list, you might want to think beyond the traditional retail offerings. Consider financial gifts that can bestow benefits for many years to come.

Some financial gift options you might consider:

- **U.S. savings bonds.** While paper bonds are a relic of the past, you can gift “electronic” bonds by purchasing them through the U.S. Department of Treasury website (www.TreasuryDirect.gov).
- **IRAs (regular or Roth).** For 2015, you can contribute the lower of \$5,500 or the earned income of the child. An early financial start can produce amazing benefits from compounded interest accumulated over several decades.
- **Stocks or mutual funds.** Equities are a good way to introduce a child to the investment world. If you give appreciated securities to an adult child or grandchild, your gift could allow the child to enjoy beneficial capital gain rates when the shares are sold.
- **Vintage stock certificates.** Vintage framed certificates are available for many companies. A historic or collectible stock certificate can provide a colorful reminder of the importance of investing for the future.
- **Collectibles.** Postage stamps or coin collection kits can provide years of enjoyment and form the basis for a life-long hobby. Consider starting a child's collection with an official U.S. Mint proof coin set for the year the child was born.

Please call us if you would like to review the tax issues related to any of these financial gift options, especially if you are considering a larger amount.

Warmest wishes for a happy holiday season and a prosperous 2016

Thank you for giving us the opportunity to serve you this past year. Your trust and your business are appreciated, and your referrals are welcome. We wish you a happy, healthy, and prosperous 2016.

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