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BRIEFINGS

FEBRUARY - MARCH 2011

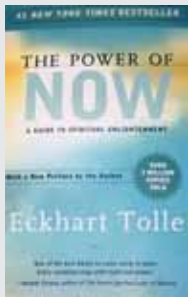
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elcome to Koss Olinger's Wealth Management Briefings. In each issue, we will bring you interesting information, book reviews and other pertinent articles to keep you up to date on developments in our Wealth Management strategies that may benefit you and your family.

ADVISOR BOOK CORNER



The Power of Now, by Eckhart Tolle



Do you ever find yourself in a situation where you are doing one thing but cannot stop thinking about something else? Or in a conversation with someone but you aren't "present"?

Often it is because your mind is focused on something from the past or anticipating something in the future, all at the expense of the present moment. Ultimately this can make you feel disconnected and lose your natural sense of happiness. The Power of Now, written by Eckhart Tolle, shows the reader why the ability to consciously disconnect your thinking mind from yourself (your Being) can instantly allow you to live in the present moment and free you from the mental constraints that are so easily (and unconsciously) self-imposed. The book is a former underground hit that gained widespread popularity when it was named as one of Oprah Winfrey's favorites.

BY THE NUMBERS\$



- **65%** of nearly **1,800** working Americans surveyed admit that they should be saving more today for their future retirement (source: Wells Fargo).
- Actual earnings of the S&P 500 companies for the 4th quarter 2010 are projected to be up **+27%** when compared to the actual results from the 4th quarter of 2009 (source: S&P).
- Less than **1 in 5** working Americans (**19%**) is contributing enough money on a pre-tax basis to his/her retirement accounts to realistically project that he/she will be able to retire by age 65 (source: Nyhart, Tom Totten, Craig Harrell).
- The highest corporate tax rate in the USA is **35%** (source: Fiscal Commission Report).
- The National Football League (NFL) generates \$9 billion of revenue a year. Its work stoppage is set for 3/03/11 unless a deal is worked out between its players and owners. The US government spends \$10.5 billion a day (fiscal year 2011 numbers) and its work stoppage is set for 3/04/11 unless a "continuing resolution" is renewed by Congress (source: BTN Research).
- **106** publicly held companies worth **\$89 billion** filed for bankruptcy protection in 2010. **136** publicly held companies worth **\$1.16 trillion** filed for bankruptcy protection in 2008 (source: New Generation Research).
- On his recent trip to the USA, Chinese President Hu Jintao stated that less expensive Chinese exports have saved American consumers **\$5 billion** a month for the last decade (source: White House).
- More than **1** of every **4** US households (**27%**) do not have a landline phone into their home but instead only use cell phones (source: Centers for Disease Control and Prevention).
- **27%** of Americans surveyed in early January 2011 felt their financial situation had improved from 1 year earlier. Another **27%** felt their position had gotten worse (source: Bankrate).
- The maximum Social Security retirement benefit that could be earned by an individual reaching full retirement age in the year 2011 (i.e., at age 66 years) is **\$2,366** a month (source: Social Security Administration).

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Past performance is not indicative of future results.

DIGITAL JUNKIE?



A digital version of Briefings is now available. To receive this bi-monthly newsletter by email, please email Kelly Ping at KellyP@KOFinancial.com. You can also access it on our website at www.Koss-Olinger.com.

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2010 TAXES: WHAT YOU NEED TO KNOW

It's tax time! There are several changes this year along with some good planning opportunities. Please use this as a resource as you prepare your 2010 taxes.

- Because Emancipation Day (a holiday observed in the District of Columbia) falls on April 15, you have until April 18 to file your tax returns.
- Individual tax rates will remain at 2010 levels for two more years.
- Tax on long-term capital gains and qualified dividends remains at 15% for two more years.
- Taxpayers will not see their itemized deductions or personal exemptions limited due to income levels in 2011 or 2012.
- The AMT (alternative minimum tax) exemption for a married couple was increased from \$45,000 to \$72,450.
- The deduction for direct charitable donations from an IRA for those 70 1/2 or older was extended for two more years and such contributions made before January 31, 2011, can be attributed to 2010.
- Investments in new business equipment from September 8, 2010, through the end of 2011 qualify for a deduction of 100% of their cost in the year of acquisition. Acquisitions in 2012 qualify for a deduction of 50% of the cost.
- The Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010 provides temporary estate and gift tax relief. Highlights include:
 - Unified estate and gift tax exemption of \$5 million;
 - Generation skipping transfer tax (GST) exemption of \$5 million (indexed for inflation in 2012);
 - 35 % maximum federal estate tax rate on assets in excess of unified estate and gift tax exemption;
 - 35 % maximum federal GST rate on assets in excess of exemption;
 - 35 % maximum gift tax rate on assets in excess of unified gift and estate tax exemption;
 - Return of stepped up basis/pepeal of carryover basis;
 - Portability of a deceased spouse's unused estate tax exclusion amount.

SANTA DAY

On December 2, over 130 children and families came to the Koss Olinger office to meet and greet Santa!

Since 2005, KO has transformed their office to Santa's winter wonderland and opened their doors not only to the families of KO clients and employees, but also to children receiving services from Children's Home Society of Florida.



KOSS-OLINGER.COM



Over the past few months, the KO Team has been hard at work to bring you a new, more concise and more interactive website. At Koss-Olinger.com you can find useful resources to help you know more about KO and the services we provide. Visit us today!

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A recommendation from a client is a tremendous compliment and a huge responsibility and can never be taken lightly. -Anonymous

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