

Information from SACU and CFS\* to help keep your financial life in balance

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### Start Planning for 2016 Taxes

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### Tax-Saving Tips to Start Now

As you begin the process of completing and filing your 2015 taxes, you may wonder what can do now to save on your taxes next year. Here are just a few tips you can use; be sure to consult with your tax advisor to determine eligibility.

### Retirement Plans

One of the best ways to lower your tax bill is to reduce your taxable income by making contributions to a qualified retirement plan. You can contribute up to \$18,000 to a 401k or similar work-based retirement savings plan in 2016. Money contributed to the plan will not be included in your taxable income.

If you don't have a retirement plan at work, you can invest in an IRA and contribute up to \$5,500. Depending on your income, you may be able to deduct some or all of your IRA contribution.

Contributions you make before April 15 could be deductible on your 2015 taxes, a great way to help reduce your tax burden up until the filing deadline.

### Health Savings Accounts

Individuals under age 65 covered by a high-deductible health plan may establish a Health Savings Account (HSA) which allows participants to save money for the payment of health care expenses on a tax-preferred basis. HSA distributions are generally tax-free when used for qualified medical expenses (distributions made for any other purpose may be taxable). Contact your health care provider for more information.

### Donate to Your Favorite Charity

Monetary donations to your favorite charity are one way to lower your taxable income while helping others. Another option is to sort through old clothes and other belongings in good condition you no longer use or need and donate them. Or clean out your pantry and find a local food drive to donate non-expired, non-perishable items. You can write off the current fair market value of what you donate. Whatever you donate make sure you keep your receipts; they will be needed for tax purposes.

### Annual Gift Tax Exclusion

Consider gifting to reduce some tax burdens. In 2016, you can gift up to \$14,000 to each person, and to as many individuals as you want, without triggering the gift tax. In addition to the annual exclusion amounts, you can also give gifts to a spouse, gifts of educational expenses, and gifts of medical expenses without triggering the tax.

### Who Can Help Me?

Take the time to speak to a financial professional and your tax advisor to learn more about these tips and other ways you can minimize your tax burden in the coming year.

You have many choices when searching for help in reaching your goals. The financial professionals at SACU will work closely with you to clarify your retirement goals, help you develop and implement a plan, and provide ongoing advice in pursuit of those goals.

Schedule your complimentary appointment with a CFS investment representative by calling US toll free 800-234-7228, extension 1442 today.

Investment Services offered through CFS\*

## Have you read...?

*J.K. Lasser's Your Income Tax 2016: For Preparing Your 2015 Tax Return* by J.K. Lasser Institute

Please visit this source for more information:

<http://www.thesimpledollar.com/five-simple-steps-to-start-preparing-for-tax-season/>

The SACU logo consists of the letters "SACU" in a white, serif font, centered within a red rectangular background.

*Your Dream Is Our Mission...*

**At SACU, our CFS\* investment representatives are committed to providing products and services that help you and your family build your personal financial wealth and financial well being.**  
**Interested in Learning More? Call 1-800-234-7228 ext. 1442 or ext. 1071.**