Schaumburg-based LifeStyle Options provides a variety of different services—including professional live-in care, medication management, and geriatric care—with a focus on empathy and integrity towards their clients. This devotion to quality service has earned LifeStyle Options, among other praise, the highest rating (A+) from the Better Business Bureau, as well as the BBB’s “Complaint Free” award. Throughout the company’s 23-year history, these high standards have been maintained and guided by the founder and CEO, Molly Miceli.

Miceli, a longtime resident of the Chicago area, originally transplanted from Norway, has nearly 40 years experience as a health care practitioner. Miceli began her career as a Certified Nurse’s Assistant, and became a Registered Nurse in 1975. After several years in that role, she realized that the health care industry in Illinois was failing to adequately provide for a specific need—quality health care services that existed outside of hospitals or other medical institutions. In 1989, she founded LifeStyle Options to help fill that void. By hiring professional, licensed caregivers, extensively vetted and routinely assessed, LifeStyle Options has been able to provide its clients high-quality medical care within their own homes. This business model encourages in LifeStyle Options’ clients the sense of independence and dignity that comes with receiving care in one’s most familiar environment, with family and friends close at hand.

Today, LifeStyle Options has grown to provide more service to a increasingly larger area, including Chicago, the surrounding suburbs, and more distant municipalities such as Kankakee and Rockford. Miceli grants a good deal of credit to KRD, in particular Partner Gene Barinholtz, who has worked with LifeStyle Options since 1991. Barinholtz has been a “very trustworthy” associate, says Miceli, and a vital force in cultivating the company’s growth. KRD provides full accounting services for LifeStyle Options, which includes more than simply reviewing their books. Barinholtz, says Miceli, “had such clear sense of all the accounting, and he was able to help us create that important roadmap [for the company]. Without Gene, we would have stumbled around for many years.”

While Miceli is understandably proud of the longevity and financial health of the company she created, she readily states that what pleases her most about the work she has done are the many reports of high customer satisfaction. LifeStyle Options believes firmly that the best wishes of their clients come first, and they offer full and unconditional guarantees for the quality of the care they provide. According to Miceli, a majority of the company’s referrals come from clients and caregivers—a mark of the trust engendered by the company.

KRD is pleased to continue its relationship with LifeStyle Options well into the future, and looks forward to providing its own exemplary services to a company that has built its considerable reputation on its own service.
Roth IRAs are often noted as particularly advantageous to retirement savers, but for those who earn above a certain level of income, annual contributions to a Roth IRA are disallowed. Fortunately, there is a simple little strategy that gets around this rule—simply make nondeductible contributions into a traditional IRA, and then have that IRA converted into a Roth IRA. This “back-door” approach is a perfectly legal and exploitable loophole in the tax code that allows these high-income earners the chance to utilize the benefits of a Roth.

Roth IRA plans offer a number of advantages over traditional IRAs. For one thing, you are not required to take money out of a Roth IRA, and once you start, all of these withdrawals—including the earnings—are tax exempt. For another, there are fewer restrictions on what you are allowed to invest related to the Roth IRA than there are for traditional IRAs. Once you begin approaching retirement age, even more benefits kick in—once you've hit the age of 59½, for example a Roth IRA aged five years or older begins tax-exempting distributions. A traditional IRA won't incur this benefit—in fact, your distributions could be taxable at a rate of up to 35 percent! If you're collecting Medicare, your premiums, which are based on your income level, can also be lowered. A Roth IRA will also be of greater benefit than a standard IRA if passed along to a child.

Converting to a Roth will trigger some tax penalties, but it's fairly easy to do and plain to see the long-term benefits of converting before retirement. If you are single with an income of $110,000 or higher, or filing jointly with an income of $173,000 or higher, you are no longer eligible to make Roth contributions. Instead, open a nondeductible IRA and build that up with the standard $5,000 annual limit. Then, make the conversion. If this is your only IRA, conversion offers the advantage of having only the earnings—from the time the contributions were made to the time of the conversion—be taxable.

Beware, however, of the “pro rata” rule! The taxes due when you convert must be calculated using all current IRA assets, not just the $5,000 nondeductible contribution. It’s possible to work around this rule if you have an employer-managed 401(k). Many such plans allow for “roll-in” contributions from your IRA, and since only pre-tax dollars can be put into a 401(k) in the first place, there is no taxable income left behind in the IRA. By converting it to a Roth then, you do not pay the pro rata conversion tax! If your employer does not have a 401(k) with an option to roll-in, you could also set up a solo 401(k) if you have any self-employment income, and use this to pull off this helpful trick with your IRA.

Retirement savings is one of the most important aspects of your financial planning, and anything you can do to help put yourself on better footing post-retirement will be an action well worth it in the long run. Make sure to talk to your CPA about whether or not a backdoor Roth account could be right for you.

Utilizing the Back-Door Roth IRA Strategy

The Benefits of Employing Your Child

One of the greatest challenges that parents face in raising their children is in teaching them responsibility, particularly when it comes to money. Successfully imparting financial wisdom can, however, be a very rewarding gift as they find work and begin to earn and manage their own income. If you are a parent who owns their own business, you have a unique advantage when it comes to teaching these skills. Hiring your children to work for your business is not only an opportunity to create a nurturing and supportive environment for this education, but it also gives you, as a businessperson, options for tax breaks and benefits—as long as you treat the whole enterprise as seriously as you would any other business practice.

If your business is a sole proprietorship, partnership, or LLC—that is, not a standard corporation—there are additional benefits to hire your own children as part-time employees, providing that you follow very specific guidelines for nature of employment, pay arrangements, and documentation:

- The tasks your children are hired to do must be considered legitimate and essential to the success of the business. Clerical tasks such as filing or data entry are necessary to your day-to-day, but in most cases having them do their laundry would not be.
- As employees, your children should be given job titles and a clear set of responsibilities. These jobs should be reviewed in comparison to similar jobs in your area, and the wage paid for the work must be comparable.
- All work must be reported—tasks completed, hours worked—and standard W-2 forms must be filed. Payroll reports will have to be filed as well.
- Payment must be by check or direct deposit to a separate account set up to receive the child’s income.
Letters of Credit are a time tested instrument of international trade. They have been used effectively to expand markets for goods and services and to facilitate a variety of financial transactions, either as a method of payment or as a credit enhancement, within as well as across the borders of sovereign states. Letters of Credit efficiently reduce payment risk, making the task of your finance staff less difficult.
Consider better ways to use your tax refund

What are you going to do with your federal income tax refund this year? Instead of spending the money on things you don’t really need – like a bigger flat screen TV or the latest smart phone – you might put a sizeable refund to better use. Here are a few suggestions.

Pay down debt. Improve your overall financial situation by reducing the amount of any outstanding debts beginning with high-interest rate credit card balances.

Contribute to an IRA. For 2012, you can contribute up to $5,000 ($6,000 if you’re age 50 or over) to any combination of traditional and Roth IRAs. Contributions to a traditional IRA may be wholly or partially tax-deductible, while Roth IRAs can provide tax-free payouts in the future.

Save for your children’s education. Investigate the options, such as tax-favored Section 529 plans.

Build an emergency fund. Set aside some money that will be available in case of emergencies.