



Client News

FALL & WINTER | 2018

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CLIENT PROFILE:

The Buttery Babe: Cooking up a Recipe for Success

As a self-proclaimed “good eater”, it comes at no surprise that Emily Kutchins Adler (AKA the Buttery Babe) chose to pursue a career in the culinary industry. As a young child helping out in her parent’s kitchen with basic cooking and dinner party hosting, the foodie in Emily was ignited.

“I lived to eat, not the other way around,” notes Kutchins Adler. “Two weeks into my first semester at college, I knew something was missing. I was meant to be at culinary school.” With her true calling realized, Emily’s culinary adventure went from simmer to full boil.



This flexible approach allows Emily to connect with her customers on a highly personal level, all while providing a truly intimate and rewarding experience. Dinner parties, cooking classes, meal drop offs and corporate events are just a few of the options available to customers. This also creates a need for adapting her recipes to accommodate almost any food allergy or diet restriction. “Tailoring recipes to meet individual needs can be challenging, but that’s something I enjoy – along with sourcing new and interesting ingredients and the purveyors who carry them,” notes Kutchins Adler.

Experience the Spice of Life

With stints as a caterer, bed and breakfast proprietor, executive chef, cheesemonger and upscale grocery manager under her belt, Emily was ready to tackle her next endeavor – running her own full-service catering company.

And so The Buttery Babe came to fruition, born from Emily’s years in professional kitchens and gourmet markets. A classic French cooking background gave her the knowledge to cook almost anything, along with a lack of fear and willingness to do it.

“All of the recipes and cooking videos are inspired by my travels and my garden,” comments Kutchins Adler, whose passion for butter, cheese, meat, good wine and bread make for some delicious offerings. The Buttery Babe is the ideal catering solution for everything from a romantic breakfast for 2, to slow smoked brisket for 12, or a Friendsgiving for 40.



Add in Some Social Media for Good Measure

Another area in which the Buttery Babe excels is in using the power of social media to share her passion for food and unique culinary voice. Videos featured on her website, Instagram, and YouTube channel are entertaining, educational, and down right mouth-watering. However, for growing the business, Kutchins Adler firmly believes word of mouth offers the best results. According to the Buttery Babe, “Every event is a tasting for the next event.”

A Sous Chef like No Other

Being in the kitchen is where Emily excels, but when it comes to financial planning and guidance, she enlists the tax professionals at KRD. The Buttery Babe says, “KRD helped me to create a sustainable business plan, on-going guidance for growth, and they even taught me how to use QuickBooks to help with my accounting process. Probably most beneficial though – they make for excellent baked goods taste tasters!”

Along with business and financial planning, KRD provides the Buttery Babe with licensing, legal and insurance guidance and advice to help grow her business.



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4 Ways to Raid IRAs Penalty Free

Usually, you have to pay a 10% early withdrawal penalty tax on the taxable portion of traditional IRA withdrawals taken before age 59½, on top of the regular income tax you owe. But, you can take advantage of tax law exceptions for “raiding” an IRA to avoid paying penalties.

HERE ARE FOUR PRIME EXAMPLES:

- No early withdrawal penalty is imposed if you receive “substantially equal periodic payments” (SEPPs) based on your life expectancy or joint life expectancies of you and a designated beneficiary. The payments must last for at least five years or until you turn age 59½, whichever comes later.
- If you’ve been hit with an unexpected medical bill, you may not have all the cash you’ll need. IRA withdrawals used to pay medical expenses are exempt from the penalty tax to the extent the expenses qualify for the itemized deduction for medical expenses. For 2018, medical expenses that exceed 7.5% of your adjusted gross income (AGI) are deductible. (In 2019 medical expenses must exceed 10% of your AGI). Similarly, if someone loses their job, pre-age 59½, withdrawals are exempt from the penalty if the money is used to pay for health insurance for themselves, spouse and/or dependents if unemployment compensation is received for at least 12 consecutive weeks.
- You don’t have to pay the penalty if funds are used for first-time home buyer expenses. For example, you might pull out money from the IRA to help your child, grandchild, or parents buy a home. Even though you’re not the homeowner, the withdrawal still qualifies if the home is your child’s principal residence and he or she hasn’t owned a home within two years. Alternatively, you might qualify. Unlike the other exceptions, this one has a lifetime dollar cap of \$10,000. If both you and your spouse pull out money, the lifetime dollar cap is \$20,000 for MJF.
- Do you need help paying for your child’s college education? If funds are withdrawn for qualified higher expenses, the distribution isn’t subject to the 10% penalty tax. This includes tuition, books, supplies, etc., even room and board if your child or grandchild is a full-time student.

If you have questions regarding early withdrawal penalties on the taxable portion of traditional IRA withdrawals taken before age 59½, contact KRD today.

Originally published in Small Business Tax Strategies, July 2018

New Employer Tax Credit for Paid Family and Medical Leave Available in 2018 and 2019

This September the IRS announced that eligible employers who provide paid family and medical leave to their employees may qualify for a new business credit for tax years 2018 and 2019. The credit was enacted by the 2017 Tax Cuts and Job Act.

Eligible employers who create or update their family and medical leave policy by December 31, 2018 may be eligible to claim the employer credit, retroactive to the beginning of the employer’s 2018 tax year, for qualifying leave already provided.

The IRS released a notice that outlines how to calculate the credit, as well as how to apply special rules and limitations. It’s important to note that only paid family and medical leave provided to employees whose prior-year compensation was at or below a certain amount qualify for the credit. For the 2018 tax year, the employee’s 2017 compensation from their employer must have been \$72,000 or less.

For more information on this credit, contact us today.





Smart Financial Moves to Make Before Year's End

The end of the year is approaching, so now is a great time to look at your financial goals and determine if you're on track to meeting them. Taking a few hours to assess your finances can save you money

and avoid penalties. Below are a list of items you should address before the new year, so you can start 2019 on the right foot. For additional tax savings ideas, please visit krdcpas.com/2018-year-end-tax-highlights on our website.

1. Review Your Budget

Assess your financial situation and see if you reached any financial goals. How much debt did you pay off? Did you stay within your budget? Honestly answering these questions can help you determine where you succeeded and what areas can be improved for next year.

2. Determine How Much Debt You Have

Confronting debt can be an overwhelming process, but it's important nonetheless. Credit card debt can hurt your financial health, so the sooner you can establish a plan to pay it off, the sooner you'll feel relieved.

3. Start Tax Planning

When you own a mutual fund in your brokerage account, you may have to pay taxes. It's important to know which funds may generate lots of taxes and to optimize your asset location of each fund you own.

4. Use up FSA Money

If you have money set aside in a flexible spending account for health care expenses, you may want to order those new glasses you've been thinking about. Some companies offer a grace period or a \$500 FSA carry-over from one year to the next, but it's rare. Oftentimes, if you don't use your funds, you'll lose them!

5. Schedule a Meeting with Your Financial Planner or Accountant

If planning next year's financial goals is overwhelming, make an appointment with your financial planner. If you're consulting a tax accountant, try scheduling your meeting before December 31 in case they suggest time-sensitive strategies, like deferring income.

DID YOU KNOW

KRD can be found on Facebook, Twitter, LinkedIn and Instagram. Our social media accounts are updated weekly with tax, company updates and more.

Check out our social media pages below!



facebook.com/KRDPCAS



[@KRD_CPAS](https://twitter.com/KRD_CPAS)



linkedin.com/company/kutchins-robbins-&-diamond-ltd



[@KRD_CPAS](https://instagram.com/KRD_CPAS)



Our 2018 CPA Day of Service at AMITA Women & Children's Hospital was a huge success! KRD team members enjoyed packing NICU bags, creating flower pots and fun cards for the children; and truly felt honored to be the characters in the recorded children's stories.

International Corner

International

KRD's membership in GGI allows us to keep our clients abreast of international tax and audit considerations and allows us to provide contacts for international law issues if needed. Allen Kutchins attended the 2018 World Conference in Buenos Aires, Argentina on behalf of KRD. He met with over 130 fellow GGI members from all over the world. Keynote speakers were great and held a lively debate. There were also enlightening professional development sessions, in addition to networking opportunities.



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1101 Perimeter Drive, Suite 760
Schaumburg, IL 60173

35 East Wacker Drive, Suite 690
Chicago, IL 60601



INDEPENDENT MEMBER

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Body Language Poses That Can Hurt & Help Your Success

Many entrepreneurs inadvertently use body language poses that spell the opposite of success. If you're not being taken as seriously as you'd like or landing the business you want, it may be time to take a close look at your nonverbal communication.

Here are some effective dos and don'ts of body language that you should follow to help you succeed in most situations.



TILTING YOUR HEAD

You may slightly tip your head to one side when listening intently to someone, but this gesture can make you appear either confused or as though you agree with the person when you are simply considering the message. Instead, keep your chin parallel to the ground and maintain good eye contact, which indicates that you are an intelligent, decisive person who understands what is being said and can take on any business challenge.

SPEAKING FAST

Speedy speech may make you appear insecure and nervous, which can erode a customer's confidence in you. Concentrate on deep, even breathing, which will slow down your speech and make you appear controlled and confident.

CROSSED ANKLES WHILE STANDING

How you arrange your legs when you stand has a profound effect on your demeanor and confidence level. Strike a strong, confident pose instead by standing with your legs apart and your back straight. This will make you appear and feel successful.



MAINTAIN GOOD EYE CONTACT

Sufficient direct eye contact is important, but don't overdo it. It's not necessary or advisable to keep your eyes glued to the other person. Instead strike a comfortable balance by alternating between meeting the person's eyes and looking away.

SMILE

Never underestimate the power of an honest smile. It displays confidence and pleasure with your business. A smile also makes you appear friendly and approachable and gives clients the impression that you are willing to do whatever it takes to make them happy.

LOOK RELAXED:

Concentrating too much on body language can also make you look stressed, hence be aware of your expressions and your gestures but at the same time, look relaxed.

*Originally published in The Hartford Small Biz Ahead
January 2018*

We welcome the opportunity to discuss how KRD can help with your tax and financial planning, please call us at

We Can Help
847.240.1040

