

COMMON TAX FORMS

IRS ALPHABET SOUP!!



Here's a guide that will help you decode the alphabet soup of IRS forms and understand your tax return.

Form 1040 is the foundation of your tax return. It is used by all tax filers except those 65 and older. They use **Form 1040-SR**.

Depending on your personal situation, you may be required to file attachments to your return.

Schedule A is for itemizing deductions such as mortgage interest, property taxes, medical expenses and charitable contributions.

Schedule B is where you report taxable interest or ordinary dividends exceeding \$1500.

Schedule C reports the profit or loss and deductible expenses from a business you own.

Schedule D is where you report capital gains and losses from stock sales.

Schedule SE calculates the self-employment tax.

You can also expect to receive a number of forms reporting your income from your employer, bank or credit union, mutual fund companies and other entities you did business with throughout the year.

Form W2 is filled out by your employer to document your earnings for the calendar year. This tax form supplies you with some of the most important information you'll need when you fill

out your 1040 including the wages you earned and the taxes your employer withheld.

Form 1098 is what you receive if you paid interest on a mortgage or student loan, paid college tuition or donated a motor vehicle to charity.

Form 1099 series is a family of tax forms which report all income that isn't salary, wages or tips. For example, you'll receive a 1099 if you earned more than \$600 from any one company while working as an independent contractor, consultant or a freelancer within the tax year. There are several types of 1099 forms, including:

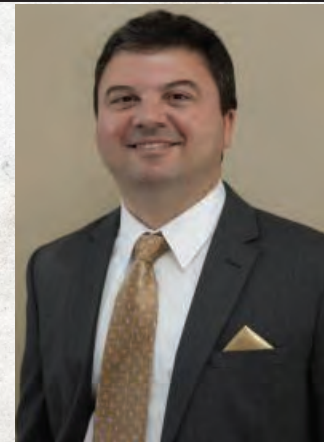
1099-DIV which reports dividends, distributions, capital gains and federal income tax withheld from investment accounts, including mutual fund accounts.

1099-INT will keep track of interest income you earn on investments.

1099-OID (Original Issue Discount) is provided if you received more than the stated redemption price on maturing bonds.

1099-MISC will document self-employment earnings, as well as miscellaneous income such as royalties, commissions or rents. It covers all non-employee income that is not derived from investments.

Hopefully this summary will help give you an idea on the most common forms and schedules that you'll be encountering come tax time.



Can you believe it is February? I can't. The year always flies by. February features Groundhog Day! An annual event held every February 2nd in tiny Punxsutawney, PA.

Punxsutawney Phil, a celebrated groundhog is the centerpiece. The tradition hinges on Phil's weather "prediction": if he emerges from his burrow at Gobbler's Knob and sees his shadow, tradition says we're in for six more weeks of winter; no shadow means an early spring.

The tradition's origins stretch back to Europe. It's tied to Candlemas Day, a Christian holiday on February 2 marking the midpoint between winter solstice and spring equinox. In Germany, clear weather on Candlemas was thought to signal a prolonged winter, often checked by animals like hedgehogs or badgers.

For the record, Phil has seen his shadow on 107 of 138 recorded years!

Alexis Hongamen, CFP®, CRPC®

HOW TO HELP YOUR TIME MANAGEMENT

1. **MAKE A TO-DO LIST:** Write down your tasks. Divide tasks into smaller, manageable parts.
2. **THE 5-MINUTE RULE:** If it takes less than 5 minutes, do it immediately!
3. **EAT THE FROG FIRST:** Tackle the hardest task first thing in the morning.
4. **POMODORO TECHNIQUE:** Work diligently for 25 minutes, then take a 5 minute break.
5. **SET ALARMS:** Use alarms to remind you of tasks. Nothing says "get back to work" like a phone beeping at you.
6. **USE APPS AND TOOLS:** Utilize productivity apps. Let technology be the boss that tells you how to use your time wisely.
7. **SET BOUNDARIES:** Learn to say no. Protect your time.
8. **REWARD YOURSELF:** Give yourself kudos when completing a task. Scratch it off your to do list. It can be powerful to see the to do list get smaller.
9. **TAKE CARE OF YOURSELF:** Get enough sleep, exercise, and eat well. A tired brain is like a slow computer that stalls.
10. **REFLECT AND ADJUST:** Review your progress regularly and adjust as needed. Like a GPS re-routing you after a wrong turn.



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I have been quoted in the following publications:



Flashback 35 Years Ago This Month

MOVIES: February 1990

- **Driving Miss Daisy**.....An old Jewish woman and her African-American chauffeur in the American South have a relationship that grows and improves over the years. Morgan Freeman and Jessica Tandy star.
- **Hard To Kill**.....Targeted by the mob and its political supporters, hired assassins leave LAPD Detective Mason Storm (Steven Seagal) for dead. Seven years later, he recovers from a deep coma, demanding justice and the opportunity to get even.
- **Born on the Fourth of July**.....The biography of Ron Kovic (Tom Cruise). Paralyzed in the Vietnam war, he becomes an anti-war and pro-human rights political activist after feeling betrayed by the country for which he fought
- **Look Who's Talking**...After a single, career-minded woman is left on her own to give birth to the child of a married man, she finds a new romantic chance in a cab driver. Meanwhile, the point-of-view of the newborn baby is narrated through voice-over.



MUSIC

Billboard Hot 100: February 1990!!

- **Opposites Attract** (Paula Abdul)
- **Escapade** (Janet Jackson)
- **Downtown Train** (Rod Stewart)



NEWS/SPORTS/CELEBRITY

- Sean Kingston, American reggae rapper ("Beautiful Girls"), born in Miami, FL
- Robert Griffin III born. American football quarterback, Heisman Trophy 2011
- The Weeknd, singer, born in Toronto.
- Hulk, fictional character in "Death of Incredible Hulk" on NBC, dies.
- Malcolm Forbes, publisher of Forbes Magazine, dies of a heart attack at 70.
- South African President F. W. de Klerk frees Nelson Mandela
- In a huge upset, James "Buster" Douglas KO's Mike Tyson in 10th round in Tokyo, Japan to win the world heavyweight boxing title. I remember hearing the news and being completely stunned.
- "Hold On" single released by Wilson Phillips (Billboard Song of the Year 1990)
- USSR Communist party agrees to allow opposition political parties
- Notre Dame becomes 1st team to sell its game to a major network (NBC)
- Jockey Bill Shoemaker (58), retires after 40,350 horse races!



Questions? Call Alexis' cell 407-729-8516

Retirement Milestones



Here are some key age milestone for effective retirement planning:

Age 50: Catch-up contributions can be made at age 50 for retirement accounts like 401Ks and IRAs. For example, the IRA contribution jumps to \$8,000 from \$7,000 and on 401Ks it goes from \$24,000 to \$30,000.

Age 55: If you leave your employer the year you turn 55 or older, you can immediate access your 401K from that job. You don't have to wait until the standard 59 1/2 age threshold.

Age 59 1/2: You can begin accessing retirement accounts at this age.

Age 62: Earliest age you can begin collecting reduced Social Security benefits, although it is means tested if you have employment income.

Age 65: Minimum age to enroll in Medicare and healthcare planning.

Age 66-67: Standard age to collect unreduced Social Security. This is also known as your Full Retirement Age where employment income doesn't reduce your benefit.

Age 70: This is the age where you can max out your Social Security benefit if you've waited to begin collecting.

Age 70 1/2: At this age you can make Qualified Charitable Distributions (QCDs) if you are charitably inclined up to a maximum of \$108,000. These are completely tax deductible.

Age 73: Required Minimum Distributions from your retirement accounts start at this age. You must take out a % of the balance of your retirement account on 12/31 of the previous year. It is based on IRS tax tables for age and longevity.

Idiom Of The Month

"ON THE BALL"



"On the ball" means someone who is very efficient, alert or can quickly respond to something.

You can also use the phrase to describe someone who is well-prepared and aware of what's happening around them. It's a complementary phrase if you say someone is "on the ball". However, it can also be used to cajole someone to improve their work: "we need to get on the ball!"

There are two possible origins of the term. One involves sports. Usually a person in sports who is controlling the game, also controls the ball. Hence, the term that they are on the ball. Literally.

The sports analogy also may come from baseball. Coaches would tell a batter to "keep their eye on the ball" if they wanted to hit it.

Another possible origin involves Webb C. Ball. Never heard of him? I didn't either until I read about him.

Evidently, he was a watchmaker in the 1800s who invented the

timing system for railroads to keep trains on track and on time. His work influenced the eventual adoption of Standard Time across the United States.

So we can see how someone alert and "on the ball" (on time?) could have been referencing Webb C. Ball's contributions to time standards.

Which origin do you believe?

"Carry a Ball, and time them all!"



CLEVER STOCK SYMBOLS

1. BUD - Anheuser Busch inBev
2. HOG - Harley Davidson
3. LUV - Southwest Airline's (Love Field is their home base in Dallas)
4. FIZZ - National Beverage Corporation (They make LaCroix and Shasta)
5. PZZA - Papa Johns International
6. YUM - Yum! Brands (They are Pizza Hut, Taco Bell and KFC)
7. COST - Costco
8. HEINY - Heineken
9. FUN - Six Flags Entertainment
10. DNUT - Krisy Kreme
11. HACK - Amplify CyberSecurity
12. EAT - Brinker International (Chili's and Maggiano's Little Italy)
13. CAKE - Cheesecake Factory
14. PLAY - Dave and Buster's Entertainment
15. WOOF - Petco
16. TAP - Molson's Coors Beverage (They make Blue Moon, Keystone, Coors and other beers)
17. WEED - Roundhill Cannabis
18. CAR - Avis/Budget