



THE BARROWS SOLLENBERGER GROUP, PC

Helping our clients acquire, grow & preserve family wealth in a tax efficient manner.



Our Mission

Help our clients make and keep their money.

Ensure our clients achieve their financial goals.

Serve our clients in an efficient and timely manner.

Exceed our clients expectations daily.

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A Message from the Partners -

Seven Tax Tips for Job Seekers

Many taxpayers spend time during the summer months updating their resume and attending career fairs. We would like to remind job seekers that you may be able to deduct some of the job search expenses on your tax return.

Here are the seven things the IRS wants you to know about deducting costs related to your search.

1. To qualify for a deduction, the expenses must be spent on a job search in your current occupation. You may not deduct expenses you incur while looking for a job in a new occupation.
2. You can deduct employment and outplacement agency fees you pay while looking for a job in your present occupation. If your employer pays you back in a later year for employment agency fees, you must include the amount you receive in your gross income, up to the amount of your tax benefit in the earlier year.
3. You can deduct amounts you spend for preparing and mailing copies of your resume to prospective employers as long as you are looking for a new job in your present occupation.
4. If you travel out of town to look for a new job in your present occupation, you can deduct meals, lodging, and local transportation if the trip is primarily to look for a new job. The amount of time you spend on personal activity compared to the amount of time you spend looking for work is important in determining whether the trip is primarily personal or is primarily to look for a new job.
5. You cannot deduct job search expenses if there was a substantial break between the end of your last job and the time you begin looking for a new one.
6. You cannot deduct job search expenses if you are looking for a job for the first time.
7. The amount of job search expenses that you can claim on your tax return are limited. You can claim the amount that is more than 2 percent of your adjusted gross income. The deduction is claimed on Schedule A of your Form 1040.

For more information about your ability to deduct your job seeking expenses contact Denise Barrows, CPA, or Diane Sollenberger, CPA, at 717-267-3572.

Have an IRA Question?

Not sure if converting your IRA to a Roth is a good idea?

Talk to us - your IRA Professionals!

Why gamble your hard-earned retirement money with bad advice from advisors who don't know the complex IRA rules?

Mistakes can be very costly!

Call us for trusted, accurate IRA advice.

(717) 267-3572

A Time for Perseverance

Having patience isn't always easy.



This is a time for perseverance. The type of financial climate that separates disciplined investors from impatient ones. The story of the stock market is the story of a long rise interrupted by inevitable downturns.

Most post WWII recessions have lasted 18 months or less.¹ In other words, don't expect this downturn to last forever.

Don't invest according to the headlines. The nightly news seems to only focus on the stock market when it is either ferociously healthy or in crisis. "Business as usual" doesn't merit much coverage. But much wealth has been built in this country through slow and steady investing across calm markets.

Keep your eye on your long-range objectives, not the latest headlines.

Mathematically speaking, you aren't going to retire on the money you save today for retirement; you're going to retire on the interest and compound earnings over time on the money you're saving. *Time and periodic investments promote growth; withdrawals and inactivity do not.*

Remember that you are investing for tomorrow, not this moment. *If you have questions, call Denise Barrows at (717) 267-3572.*

¹ Past performance is not indicative of future results.

Takeout can eat up your savings.

Pack your own lunch instead of going out. \$6 saved a day x 5 days a week x 10 years x 6% interest = \$19,592.

That could be money in your pocket. Small changes today, **BIG** bucks tomorrow. Go to feedthepig.org for free savings tips.





A WOMAN'S FINANCIAL REALITY

Your financial future is up to
you... and no one else.

Will this be your future? Did you know that Social Security income represents two-thirds of income for women 65 and older? Did you know that without Social Security, an estimated 58% of widows aged 65 and older would live in poverty? ¹

These findings are from a 2010 US Congress Joint Economic Committee report. As Rep. Carolyn Malone (D-NY) put it, "Social Security is literally a lifeline for most elderly women."

That lifeline is barely adequate. With inflation and other economic pressures, a mature woman relying on SSI may eventually have to choose between food or medicine, rent or car repair, or contend with other stressful money dilemmas.

When these women were younger, did they envision such a meager future ahead of them? Probably not. More than a few probably wish they had understood money matters better or actively invested for retirement.

How much do you know about personal finance? The more knowledge you have, the more action you can take to define and pursue your financial goals and build retirement savings. You can also respond to a few financial realities common to women's lives.

The average woman spends 12 years out of the working world. So finds WISER, the non-profit formally called Women's Institute for a Secure Retirement. Typically some of this absence is for parenting, some of it for care giving. This means the average woman has 12 fewer years to pour steady money into that 401(k), 403(b) or IRA. ²

Women live longer. According to the latest estimates from the Centers for Disease Control and Prevention, female life expectancy is at roughly 80.5 years versus about 75.5 years for males. The reality unnoticed in these numbers is that many women will live on their own for a decade or more after being divorced or widowed. ³

Women face an earnings gap. On the whole, women do not earn as much as men. In 2009, the government Accountability Office noted that women earn \$0.78 for every \$1 that men earn. Some people question this statistic, arguing that it reflects gender inequality in career paths rather than distinct salary discrimination. Regardless, the gap exists, and it is even more pronounced for women of color. ⁴

At work, many women are worth more than the salaries they receive. Some women are reluctant to negotiate a better salary for themselves. Will it upset the equilibrium at the office? Will it be seen as too aggressive? The answers are probably "no" and "no". It takes confidence (and it may take a little research) to affirm your professional worth in front of your boss, and it should be done.

(Continued on page 4)

GIVE THE GIFT
OF A LIFETIME:
A COLLEGE
EDUCATION

A college
savings plan
can be a
very

BIG

gift in a very

SMALL

package.

Call us today to
discuss how you
can save on
wrapping
paper...

...and still give
the **BEST** gifts!

Citations

¹ thehill.com/blogs/on-the-money/801-economy/126543-changes-to-social-security-could-negatively-affect-women. 10/29/10

² mainstreet.com/article/retirement/women-still-far-behind-retirement-plans. 4/25/11

³ nytimes.com/2011/03/17/health/17brfs-art-americanlife-brf.html. 3/17/11

⁴ civilrights.org/archives/2009/04/291



IRS Raised Standard Mileage Rate for the Second Half of 2011

In response to rising gasoline prices, the IRS has raised the standard mileage rate for business use of an automobile from 51 cents per mile to 55 1/2 cents per mile, effective July 1, 2011. The medical and moving standard mileage rate has increased to 23 1/2 cents per mile, effective July 1, 2011.

The new optional standard mileage rates will apply until superseded by future guidance and can be used by taxpayers to calculate the deductible costs of operating an automobile. Alternately, taxpayers can instead use their actual costs, but must maintain adequate records and be able to substantiate their expenses.

The standard mileage rate for services to charitable organizations is set by statute at 14 cents per mile and remains unchanged.

A WOMAN'S FINANCIAL REALITY

Your financial future is up to you... and no one else.

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Call or email for your free copy of *A Woman's Journey Toward Financial Independence*

A rich spouse does not equal a retirement plan. It is nice to have a spouse whose wealth allows you freedom from financial worries. Yet even if you are blessed with a wealthy mate, there is no telling where that mate (and that money) might end up someday.

How do you plan to arrange a comfortable future for yourself? If you don't want to end up dependant on Social Security, then ensure that you have a financial education that will let you make major money decisions with confidence. Study fundamentals of investing and read up on the basics of retirement and estate planning. Follow up by meeting with Denise Barrows by calling 717-267-3572. She will help you put a strategy into action.



There's Nothing Like A Second Opinion

It can save you from a bad decision and reassure you that you are doing the right thing. It may lead to new options and new choices that were not considered or noticed before. When it comes to your health, a second opinion certainly matters. When it comes to your wealth, it also counts. In times like these, it's important to make informed decisions with your money.

Whether you have a question about paying off a loan early, or an inheritance you received, you want to make wise decisions. Structuring your pension to meet your individual needs, or what kind and how much insurance do you need; we can assist you.

Is it time for a second opinion? We're always here to help, and if you're not sure what to do when it comes to your money these days, we'd like to help you take a look at where you stand and give you an overview of your options. *Please call us today at (717) 267-3572!*