

Now is the time to plan for tax season

By Rick Rodgers

Unlike last year, tax planning for 2013 is not hampered by uncertainties over a looming fiscal cliff. Unfortunately, there is always some uncertainty and a few expiring provisions to warrant special attention by taxpayers.

Managing income taxes at year-end involves techniques designed to address three issues:

- Accelerating or deferring income: If a taxpayer expects to be in the same or a lower tax bracket next year, it's best to defer as much income as possible until after the year-end.
- Accelerating or deferring deductions: If a taxpayer's overall tax rate is the same in both years, accelerating deductions achieves tax savings this year rather than waiting for those tax savings to materialize next year.
- Take advantage of tax provisions scheduled to expire at the end of 2013. There are several temporary tax provisions which can only be used this year.

Tax planning begins by projecting income and deductions for the year to determine your tax bracket and income thresholds that trigger higher and/or additional taxes, or limits the effectiveness of deductions. One of the impacts of the American Taxpayer Relief Act of 2012 is the reintroduction of the Pease limitation, which can greatly limit itemized deductions. Once a taxpayer knows what his or her income taxes will look like, it's time to evaluate which techniques will help the most.

Strategies to accelerate or defer income:

- Adjust your elective deferral plans at work: Taxpayers who participate in 401(k), 403(b), most 457 plans, or in the Thrift Savings Plan can defer up to \$17,500 this year. Taxpayers age 50 and older can defer up to \$23,000.
- Harvest capital gains or losses: Long-term capital gains are taxed at zero percent for taxpayers in the 15 percent bracket. Capital losses can be used to offset capital gains and reduce other income up to \$3,000.
- Use the IRA. Taxpayers age 59½ and older can accelerate IRA distributions in 2013. Contributions may be deductible depending on your income level and whether you're covered by a retirement plan through work. Taxpayers under age 59½ can convert traditional IRAs to Roth IRAs to accelerate income.
- Health-care assistance: People with health savings accounts – available with some high-deductible health insurance policies – can save up to \$3,250 tax-deferred for an individual and \$6,450 for a family. Those who are 55 and older can save an additional \$1,000. Flex spending contribution limits are capped at \$2,500 this year.

Strategies to accelerate or defer deductions:

- Medical expenses: The Affordable Care Act raises the income threshold this year to 10 percent of adjusted gross income for taxpayers under age 65. The threshold remains at 7.5 percent for those 65 and older. Taxpayers may need to prepare or defer medical bills to lump expenses in a single year to get the deduction.
- Gifts to charities: Use a donor advised fund (DAF) to maximize the tax savings from charitable giving. A DAF makes gifting appreciated securities easier. The DAF can be funded in tax years when the deduction will have the most impact. Distribution to charities can be made at any time without tax consideration.

- **Qualified Charitable Distribution:** This year only, taxpayers age 70½ or older can choose to direct up to \$100,000 of their IRA-required minimum distribution to charity. By doing so, the distribution does not show up as taxable income, which can lower taxation of Social Security benefits and help reduce other threshold levels to further minimize taxes.

ATRA12 extended but did not make permanent several tax incentives for individuals. Taxpayers should consider whether they can benefit from these incentives this year and plan accordingly. The following provisions are set to expire on Dec. 31 unless extended again:

- **State and local sales taxes deduction.** Taxpayer can choose between deducting state and local income taxes or the sales taxes they've paid through the year.

- **Deduction for teacher expenses.** Eligible educators can deduct up to \$250 of any unreimbursed expenses.

- **Deduction of mortgage insurance premiums.** Payments of Private Mortgage Insurance premiums can be treated as deductible home mortgage interest in 2013.

- **Discharge of principal residence indebtedness.** This can be excluded from gross income this year.

- **Qualified Charitable Distribution.** Taxpayers can make tax-free charitable donations from their required IRA distributions.

2013 is certainly an exciting year for tax planning. Start now in order to minimize your tax bill in April.

Rick Rodgers is a certified financial planner and president of Rodgers & Associates.

Book sale at Douglas County Library

The Douglas County Public Library is having book sale Nov. 15 from 5-8pm, Nov. 16 9am-5pm, and Nov. 17 9am-2pm.

The sale will be at the C.V.I.C. Hall, 1602 Esmeralda Ave. in Minden.

Thousands of used books and audio books will be for sale; DVDs, VHS tapes, and CDs will also be available. Join the Friends of the Library at the door to save 15 percent.

Tahoe's mucky shoreline getting attention

By Kathryn Reed

KINGS BEACH – The problem with being able to come up with solutions for how to make the water along the shoreline of Lake Tahoe as pristine as the deep water is that there has been no monitoring done in the shallow areas. This means researchers have no data to study to come up with a cause and then an action plan.

This was the message delivered to the Tahoe Regional Planning Agency board Oct. 23 in Kings Beach. Alan Heyvaert with the Desert Research Institute in Reno presented the report that was created by more than a dozen scientists from DRI, UNR and

UC Davis.

“If we don’t have monitoring programs, we can’t say anything in a quantitative sense,” Heyvaert said.



A clam shell, left, and small stringy plants are found Oct. 23 in the water at Regan Beach in South Lake Tahoe. Photo/Kathryn Reed

And without monitoring, there is no baseline from which to establish where scientists will eventually want to get back to in terms of clarity and other measurables.

This is in contrast to the overall clarity of the lake that for decades was first measured with a white dinner plate and now a Secchi disc to see how far down it can be seen with the naked eye. But that all takes place far from shore.

The document – more than 300 pages – is a framework for how to go forward with addressing what is called the near shore. It’s a scientific document, not a policy manual. The TRPA board was there to listen and not take action.

The price tag for the “Yugo model” of the monitoring system could be \$400,000 per year.

But some of what is going on with other monitoring programs could be tweaked to satisfy near shore questions. That is going to be looked into. But scientists warn there is no time

to waste.

“We are seeing more invasive aquatic plants. We are losing a lot of native macroinvertebrate species that are only found in Lake Tahoe,” Heyvaert said.

The group first looked at the 62 standards related to the near shore that TRPA, Lahontan Regional Water Quality Control Board and Nevada Department of Environmental Protection use. They whittled those to 38 categories deemed relevant or important. From there the study group came up with 10 metrics associated with four indicators. Those are:

- Turbidity is associated with clarity
- Light transmissivity – clarity
- Chlorophyll – clarity and trophic status
- Phytoplankton – trophic status
- Periphyton – trophic status and community structure
- Macrophytes – trophic status and community structure
- Macroinvertebrates – community structure
- Fish and crayfish – community structure
- Toxins – human health
- Pathogens – human health.

Heyvaert explained it is not a good use of time and money to measure the nutrients at the near shore, that it is better to quantify the amount of algae that is eating the nutrients. This way researchers can determine if algae is increasing or decreasing, where this is taking place and at what times of year. Then the causes can be determined and solutions found.

One of the other difficulties with ridding the shoreline of

gunk is that the 72 miles are not all the same. Different problems are occurring different places.

The scientists define near shore as from the water's edge to a minimum of 350 feet from shore and about 69 feet down. The depth is the mid-summer thermocline, or where the warm and cold waters meet.

While there are no definite reasons to why the water along the shore is mucky in places, likely contributors, according to scientists, are aquatic invasive species, pollutants entering the lake from the watershed or groundwater, stormwater, runoff from the developed and undeveloped portions of the surrounding watershed, greater vulnerability to increased temperature from climate change, recreation, existing structures, and fluctuation in lake levels.

Letter: New S. Tahoe hotel a questionable neighbor

Publisher's note: *The following letter was first sent to the South Lake Tahoe City Council and then to Lake Tahoe News.*

Dear Mr. Mayor and South Lake Tahoe City Council Members:

I am writing to bring notice to a very frustrating situation in regards to the construction taking place on the new hotel The Landing. We live right next door. For the last year and a half, we have been dealing with excess noise at inappropriate hours, garbage and trash on our property and workers walking across our property and flower beds with no regard.

We have maintained neighborly respect for a couple of reasons:

1. Because we are excited about something new and fresh to replace the Valhalla. 2. Because South Lake Tahoe is long overdue for a five star property.

However, over the past few days we have become very alarmed and upset by their lack of neighborly respect for us.

Two summers ago on Fourth of July, we met the owner who assured us that the construction project would take place very fast and the community would be kept in the loop. As a year went by, we knew that there was construction occurring but had not heard from them. During this most recent Fourth of July holiday, we sought out the project's general manager and asked him about the bordering fence we shared with the hotel. This was our biggest concern because we have a lake view from both our front and back yards that we did not want to lose. At the time, the project manager assured us that when it was time to replace the fence, we would be given plenty of notice and that the plan was to use rod iron to build the fence. This met our satisfaction.

We understood that our backyard would be looking at their busy parking lot, but that is a sacrifice we were happy to make to keep the beautiful lake view. We trusted their word.

On Oct. 18, we arrived at our house (we spend half of our time in Sacramento and half of our time in Lake Tahoe) and found the fence torn out, our bushes and vines mauled and our flowers with stacks of dirt covering them and trampled. We were shocked to say the least. We have spent three years working on our yard. And we were promised to be kept in the loop specifically regarding the fence.

I immediately contacted the manager and construction foreman. They came down to look. All we heard were excuses. Without looking us in the eyes out of shame, they told us "too bad." That costs of the planned rod iron fence were too expensive, so they changed. They informed us that now the fence would be

solid wood and 6-feet tall!

When I showed them trampled landscaping and explained that it had cost us \$2,000 to fix up our yard, they disrespectfully scoffed and said it didn't look like it cost nearly that much.

I'm sure you can imagine how upsetting these series of events were to a couple that takes great pride in our home, wants to see their project succeed, and has shown them a great amount of respect and patience.

Not only were we upset, the fact that we didn't have a fence was a huge inconvenience we had not planned for. I canceled my work flights from Reno because we were unable to leave the dog in the back yard.

The next day my newly pregnant wife and I were cleaning up the mess they left, we came across the foreman who gave us Bob Hutchison's number. Bob is a representative for the owner. He agreed to meet with me today. I took a day away from work to drive back to Tahoe to meet with him with the hope of finding middle ground. I walked away shaking because he was so inconsiderate. The sum of his attitude was; "we are the new game in town. The community is going to have to adjust to us." And he was so insulting he actually insinuated that our house and yard is too ugly to see through a rod iron fence. He said, "Heidi Klum is going to visit and looking at our cabin in the shape it's in is not up to her standards" – which led them to their decision to put up a solid fence.

In an effort to meet in the middle, I asked Bob to consider bypassing a fence in the front yard. If we must lose our backyard view, we can at least try to salvage the view from our front yard. After all, they have put a catch basin for their BMPs right there and human traffic would not be an issue. Or I offered the solution of a 4-foot fence with rod iron rails on top. He told me that the construction foreman did not speak for the owner and that no flexibility would be

given. Within 10 minutes, the framing crew arrived and started framing the fence.

I run an extremely large cattle brokerage firm with sales of over \$150 million per year. I understand the complexities of business, but truly believe in doing things right and with honor. If my employees commit to anything, right or wrong, I honor their word. Deals are done on a handshake.

Rather than honoring their word, the folks at The Landing have decided to change plans and not keep us involved as promised. They are using the trimmed back bushes and fall foliage as an excuse to tell us our yard and house is not nice enough for people to look at while they are parking their cars.

Thank you for taking the time to read this lengthy email. My request is that you look further into what fencing plans were approved. Possibly encourage them to consider more friendly fencing options. Most of all, I hope you will encourage The Landing to try and become part of the community, not rule it. As proud residents of South Lake Tahoe, we want to have friendly relations with the big businesses attempting to improve our city. Not feel helpless and disrespected.

Please consider this request and respond when you can.

Many thanks for your time and leadership.

Jake Parnell, South Lake Tahoe

Dinner benefits STHS

performing arts students

South Tahoe High School Performing Arts Booster Association presents a Spook-tacular Spaghetti Dinner on Oct. 30.

All money raised will go toward the performing and fine arts at STSH. Students from the upcoming production of "Young Frankenstein" will be serving the dinner.

The dinner is from 5-7pm at Bert's Cafe, 1146 Emerald Bay Road, South Lake Tahoe. Cost is \$10.

Nevada expected to gradually grow in population

Given Nevada's current levels of employment and the potential for growth, the 2013 projections are for a statewide increase of 529,322 people in the next 20 years.

The Nevada State Demographer's Office at UNR released its most recent population projections through 2032.

"As our state recovers, people should bear in mind that Nevada was hit by three economic factors in the last decade: the housing bubble, the spike in fuel prices, and the financial crisis. Even so we grew by 35 percent from 2000 to 2010," Jeff Hardcastle, state demographer, said in a statement. "Currently, we are projecting our state will continue to grow decade to decade at a rate slightly above the projected national rate. From 2010 to 2020 Nevada will grow at 9.6 percent compared to a national forecast of 8.1 percent for example."

Broken out by region the projected increases are:

- Clark County, 377,037 people
- Washoe County, 120,070 people
- Carson City, Churchill, Douglas, Storey and Lyon counties, 26,808
- Elko, Eureka, Humboldt, Lander and Pershing counties, 1,567 people
- Esmeralda, Lincoln, Mineral, Nye and White Pine counties, 3,840 people.

“In looking at Nevada compared to the rest of the country and surrounding states, Nevada lags behind in job growth,” Hardcastle said. “Since the bottom of employment for Nevada (in September 2010), we have regained 27.9 percent of the jobs that had been lost. Nationally, that compares to 75 percent and 53.4 percent in California for jobs regained as of June.”

Gaming continues to be the biggest driver for employment in Nevada.

“Educational services and health care have the most room to grow to meet our state-wide needs,” Hardcastle said. “There are good indications that there is more demand for these services compared to their availability in Nevada.”

Making a case for why libraries are critical

By Neil Gaiman, Guardian

It's important for people to tell you what side they are on and why, and whether they might be biased. A declaration of members' interests, of a sort. So, I am going to be talking to

you about reading. I'm going to tell you that libraries are important. I'm going to suggest that reading fiction, that reading for pleasure, is one of the most important things one can do. I'm going to make an impassioned plea for people to understand what libraries and librarians are, and to preserve both of these things.

And I am biased, obviously and enormously: I'm an author, often an author of fiction. I write for children and for adults. For about 30 years I have been earning my living through my words, mostly by making things up and writing them down. It is obviously in my interest for people to read, for them to read fiction, for libraries and librarians to exist and help foster a love of reading and places in which reading can occur.

So I'm biased as a writer. But I am much, much more biased as a reader. And I am even more biased as a British citizen.

And I'm here giving this talk tonight, under the auspices of the Reading Agency: a charity whose mission is to give everyone an equal chance in life by helping people become confident and enthusiastic readers. Which supports literacy programs, and libraries and individuals and nakedly and wantonly encourages the act of reading. Because, they tell us, everything changes when we read.

And it's that change, and that act of reading that I'm here to talk about tonight. I want to talk about what reading does. What it's good for.

I was once in New York, and I listened to a talk about the building of private prisons – a huge growth industry in America. The prison industry needs to plan its future growth – how many cells are they going to need? How many prisoners are there going to be, 15 years from now? And they found they could predict it very easily, using a pretty simple algorithm, based on asking what percentage of 10- and 11-year-olds

couldn't read. And certainly couldn't read for pleasure.

It's not one to one: you can't say that a literate society has no criminality. But there are very real correlations.

And I think some of those correlations, the simplest, come from something very simple. Literate people read fiction.

Read the whole story

NLTRA has money to award for marketing events

The North Lake Tahoe Resort Association plans to give out \$50,000 in grants for special events taking place in the North Lake Tahoe region of Placer County. Most individual grants will fall within the \$500 to \$2,500 range.

All grant money must be used for marketing and public relations efforts to promote events in the region. Preference will be given to events which encourage overnight stays.

All groups interested in receiving funds must fill out the application by Nov. 4, 2013. Recipients will be notified Dec. 5.

For a copy of the application and more information, contact Judy Laverty at (530) 581.8702 or Judy@GoTahoeNorth.com.

Tahoe National Forest back in business

The Tahoe National Forest has reopened many recreational facilities typically open at this time of year and is reinstating timber and stewardship contracts that had been suspended during the federal government shutdown.

People interested in learning whether a specific site is open should contact a local Forest Service office.

Concerning timber and stewardship contracts, resumption of operations will depend on factors such as weather, terrain conditions, and the readiness of contractors to mobilize.

Those recreating and working in the forest are asked to take extra precautions to reduce human-caused wildfire risk, especially as strong north to northeast winds predicted through the end of November are likely to cause unusually dry conditions. Anyone making campfires or operating mechanical equipment, such as chain saws or vehicles, should remember that heat and sparks can easily ignite dry grasses and pine needles.

Sour beers are all the rage

By Michaelleen Doucleff, NPR

Move over, bitter IPAs and chocolaty stouts. There's a new kid on the craft brewing block, and it's going to knock your salivary glands into action.

They're called "sour beers." When you take a sip, it's like

biting into a Granny Smith apple that's soaked in a French red wine: crisp, refreshing and a bit odd.



The Sam Adams brewery outside Boston. Photo/LTN file

Sour beers are probably the oldest style of brewski in the world, but they're just starting to get popular in the States. They were all the buzz at this year's Great American Brew Festival. And with hundreds of brewers now dabbling in sours, it's easier than ever to find them at a local bar or grocery store.

Most sour beers have little or no hops. So they're a good option to try if you don't like bitter beers or you're a wine lover who prefers a pinot to a Pilsner, says New Belgium's CEO, Kim Jordan of Fort Collins, Colo.

New Belgium, which produces the ubiquitous Fat Tire Ale, has started a whole series of sour beers, called Lips of Faith – one of the most widely available lines of sour.

So what in the heck are these strange brews?

Sours beers are to the adult beverage world what yogurt is to dairy. It's beer that's been intentionally spoiled by bacteria – the good bacteria.

Read the whole story