

Advantage

Your personal finance edge

January–February 2020



Beat the post-holiday slump

Functional fitness training: Is it right for you?

Cryptocurrency 101

Bouncing back from a setback

To a tea!

Test your healthy habit IQ

Starting fresh starts here!

Welcome to 2020! It hardly seems possible that we are starting a new year, let alone a new decade. The thought is both exciting and a bit overwhelming as well.

If starting up your regular routine leaves you feeling overwhelmed, especially after the frenzied stretch of the holiday season, check out our tips for easing back into business. We've also rounded-up some ideas for bouncing back after setbacks—even those that could potentially derail your New Year's resolutions.

As tax season approaches, it's important to get organized to accelerate your tax return preparation and any potential refund. Be on the lookout for W-2s, 1099s and investment statements in the mail or through secure portals from your employer,

clients or investment partners. Another important tax obligation you may need to address is related to cryptocurrency. If you buy or sell virtual currency, you'll want to check out our tax guide and ensure compliance with the IRS.

Getting your taxes in shape is important, but so is keeping your body fine-tuned! Instead of going whole hog in the gym and getting injured or burned out, consider starting your 2020 fitness routine with functional training. This approach to building strength and conditioning will help you move and feel better in everyday life.

Wishing you a happy 2020!

Sincerely,
Your trusted advisors



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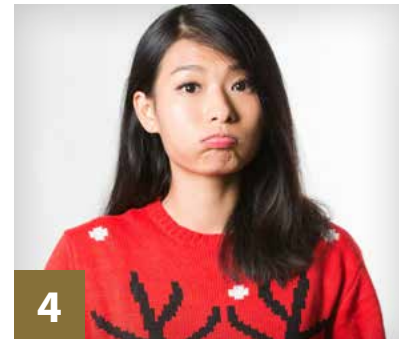
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Beat the post-holiday slump

Now that the calendar has flipped to January 2, it's time to put away the decorations, take off the loungewear and get back to business. If you are like most people, you may not be motivated yet to head back to work. Here are a few ways to counteract the post-holiday slump, courtesy of calendar.com:

Begin anywhere

The first step in getting back to business is to just start somewhere—even if it's as simple as writing a to-do list or responding to email. Once you gain a little momentum, tackle a few bigger projects.

Dive in!

If you are not a small-task person, skip the little projects and just dive back in. Begin by completing the first few steps of a larger project. Working in phases can have a snowball effect on productivity.

Involve others

While working independently on projects has its merits, teaming up with a coworker can make post-holiday workday challenges a little less daunting. Look through your list of tasks and identify those you can delegate and those where you can draw on the talent of others to complete. The extra energy of a teammate can help you break the 'blah' barrier!

Cut yourself some slack

If at all possible, leave yourself a little breathing room in your schedule during the first week back to work. Instead of launching headfirst into multiple meetings, block time out on your calendar to work independently on a few projects.

Sometimes it takes a little creativity to rekindle your motivation after the holidays. Try one or more of these tips to help you ease back into your work routine and ramp up your productivity. ■





Functional fitness training: Is it right for you?

Everyone should be concerned about maintaining their health and fitness as they age. This is where functional fitness comes in. In a nutshell, functional exercises train your muscles to help you perform everyday activities safely and efficiently. Check out these facts about functional fitness from The Mayo Clinic to decide if this approach is right for you:

■ What are the benefits of functional fitness training?

Functional fitness exercises train your muscles to work together and prepare them for daily tasks by simulating your common movements at home, work or while playing sports. Functional exercises tend to use multiple joints and numerous muscles. For example, instead of only moving the elbows, a functional exercise might involve elbows, shoulders, spine, hips, knees and ankles.

■ Do I need to join a gym to do functional fitness exercises?

No, functional fitness exercises can be done at home as well. For example, you can use resistance bands and dumbbells or perform bodyweight movements such as pushups, sit-ups, planks and squats. If you prefer working out at the gym, some may offer functional fitness classes.

■ Who can benefit from functional exercises?

This type of training may be especially beneficial as part of a comprehensive program for older adults to improve balance, agility and muscle strength, and reduce the risk of falls.

■ Are functional fitness exercises for everyone?

You should always check with your doctor before starting any new exercise program. This is particularly true if you're pregnant. Once you get the ok, it's a good idea to start with bodyweight exercises. You can always add more challenges as you progress with weights and resistance bands.

Now that you know a little bit more about functional fitness, you may want to incorporate this kind of training into your exercise routine. As you add more functional exercises to your workout, you should see improvements in performing everyday activities and in your quality of life. ■



CRYPTOCURRENCY — 101 —



Have you received, sold, sent, exchanged or otherwise traded cryptocurrency? If you answered yes to any of these, then you should be well-versed on the related tax rules. The IRS is ramping up its efforts to bring cryptocurrency users into compliance, and many taxpayers simply aren't up-to-speed on reporting requirements and/or have failed to pay tax on past transactions. If you are one of them, here is what you need to know:

Now is the time to make sure you are compliant before the IRS contacts you.

Last year, the IRS sent “educational” letters to taxpayers who had failed to report income and pay the resulting tax from cryptocurrency transactions. If you are in this situation and did not receive a letter from the IRS, be proactive about reviewing and amending your previous returns and paying back taxes, interest and penalties. Failure to do so could mean hefty fines and even criminal prosecution.

Become familiar with virtual currency tax rules:

- For tax purposes, cryptocurrency is not treated as cash. It's treated like stocks, bonds and other investment properties, which means you need to report gains and losses on Form 8949 and 1040 Schedule D at tax time.
- When you trade cryptocurrency to cryptocurrency (calculating its fair market worth in U.S. dollars) or to a fiat currency like the U.S. dollar, this constitutes a taxable event. It is also a taxable event when you use cryptocurrency to purchase goods and services, which means you may owe sales/use tax.
- Buying cryptocurrency with U.S. dollars is not a taxable event because you are not realizing gains. If you trade one type of virtual currency for the same type in a wallet-to-wallet trade, you may not be obligated to pay tax. However, you do have to account for it, depending on the exchange you are using. Make sure to check the tax rules on the specific exchange.

- Gift tax rules apply if you give cryptocurrency as a gift that is larger than the annual exclusion amount, which is \$15,000 for 2019. The recipient inherits the cost basis and will owe tax and report gains and losses when they sell or trade it.
- If you are mining and using virtual currency as a business, the general rule is that you must account for the dollar value of the coin at the time you received it and again when you trade or use it. If you make a payment in cryptocurrency, you must report it as well. If you receive a payment in cryptocurrency for your business, it is a taxable event. Data mining as a business would also result in self-employment taxes. The rules for businesses are complex, so consider seeking the advice of a tax professional.

Recordkeeping is essential

A key item to remember is that you must keep track of your gains and losses from virtual currency each year and deduct this from your cost basis. It's vital that you keep track of the value for trades you make in U.S. dollars (at the time of the trade).

Need help catching up on virtual currency taxes?

If you think you owe back taxes on cryptocurrency transactions, our firm can help you file an amended return. Alternatively, if you're planning to utilize cryptocurrency in the future, we can educate you on how to stay in compliance from a tax perspective. ■

Bouncing back from a setback



The New Year is often a time of renewal and moving forward, but this can be difficult if you've suffered a serious setback. Whether you are feeling physical pain or a sense of being "stuck" from a personal or professional loss, it's important to adopt the right mindset in order to move forward.

The following steps can help you cultivate the resilience needed to gain positive momentum:

Take a realistic view of your situation.

The ability to create and execute realistic plans for the future can help minimize the sense of being stuck and keep you positive. If you continue to struggle and find it hard to be objective with your situation, be sure to reach out to a counselor or trusted friend.

Fail forward.

Most setbacks are not so severe that you can't recover. Your new "normal" may not be what you had ultimately hoped for, but you can still contribute to the world in a meaningful way. One of the easiest ways to do this is by learning from your mistakes and working to be better. Look at errors as lessons, and then use those insights to move past your pain.

Adjust your strategy.

If you encounter another setback as you try to move forward, don't use it as evidence that you lack discipline or that you'll never reach your goals. Instead, take the time to assess the reasons behind your setback, then make a plan to overcome it.

Keep curious.

No matter what kind of setback you are facing—be it physical, emotional, financial or something else—it's important to remain committed to learning new ways of dealing with it. Dedicate time to research and seek solutions on how to overcome your situation...and don't stop until you're satisfied with the answers.

Connect with others.

Life can be filled with challenges that push us to the breaking point. Trying to handle these feelings when they overwhelm you is often counterproductive. Instead, reach out to friends, family or groups of people who can offer support and comfort. Seek out online or in-person communities whose members are dealing with the same issues. Joining a group helps to not feel so alone or isolated.

If your 2020 started out with a few bumps, know that you are not alone. Use these tips to help you slay whatever setback stands between you and peace, success and personal growth. You might also consider seeking out professional help if you feel you are not making the progress desired. ■

To a tea!

Drinking tea is a global ritual—and each part of the world has created its own customs to enjoy it fully. If you're looking to make tea drinking a habit or are just curious about trying different ways to enjoy it, look no further than this round-up of international tea rituals from [mentalfloss.com](https://www.mentalfloss.com).



Morocco—A mix of mint, green tea leaves and a generous serving of sugar, Touareg tea (also known as Maghrebi mint tea) is the customary blend in North Africa. Poured from up high into slim, delicate glasses, it's served three times to guests. Each time the flavor varies slightly per the proverb: "The first glass is as gentle as life, the second is as strong as love, the third is as bitter as death."

Tibet—Po cha, the traditional tea of Tibet, is made by boiling a brick of Pemagul black tea for hours. Milk, salt and yak butter are added and the mixture is then churned together. It's said this blend has a soup-like consistency and is uniquely comforting and fortifying at high altitudes and cold climates.

India—This country is best known for its chai blends that mix black tea leaves with spices like cinnamon, ginger, nutmeg, cloves, cardamom and pepper. Vendors, called chai wallahs, traditionally sell their brew in small sustainable clay cups made from local earth.

Argentina—Yerba mate is an herb tea also referred to as "the drink of the gods." It is prepared in a small pot or dried calabaza gourd and consumed through a special straining straw called a bombilla. Traditionally, yerba mate is served without a sweetener, but younger generations have taken to adding sugar or honey.

Russia—Zavarka is a loose-leaf tea concentrate brewed in a small metal container called a samovar. In this vessel, a very strong (usually black) tea is brewed and then served in large mugs. However, you wouldn't dare fill the mug. Instead, guests take an inch or less of this powerful concoction and then tame it with boiling water. Russians typically drink it black, but hosts will offer milk and sugar, as well as an accompanying snack.

China—The traditional Chinese tea ceremony, Gongfu Tea, is elaborate. The ritual involves a tureen, strainers, tongs, tea towels, a brewing tray and "scent cups," that are used solely to sniff—not drink—the very strong and bitter brew. Guests are invited to smell the leaves before brewing. The tea is ideally poured by arranging cups in a circle, pouring from on-high in a continuous motion until each cup is full. Guests cradle the cup in both hands and sip slowly to savor the flavor.

Japan—Like China, Japan also follows detailed tea ceremonies with names like Chanoyu, Sado or Ocha. These ceremonies include everything from the preparation of the home, the order in which utensils are brought into the room, the cleaning and warming of these tools, the brewing of the tea, and cleanup.

Pakistan—Tea is a common drink and a courtesy extended to guests across Pakistan. An element of Kashmiri culture, Noon Chai is a special blend of tea that includes a mix of pistachios, almonds, salt, milk, and spices like cardamom, cinnamon and star anise. Served on special occasions, Noon Chai is typically enjoyed with pastries like sheermaal, kandir tchot, bakarkhani and kulcha.

The United Kingdom—Many people find England synonymous with the ritual of tea drinking. The drink was introduced to England in the 17th century, but the iconic British tradition of afternoon tea took nearly another 200 years to catch on. It was Anna, the seventh Duchess of Bedford who requested that her staff prepare a mini-meal around 4:00 p.m.—including tea and a selection of cakes or small sandwiches. The tradition lives on to this day.

No matter what kind of tea you prefer, you are sure to find great comfort and even a sense of relaxation if you adopt one of the rituals described above. ■

Test your healthy habit **IQ**



Most of us know what we should do to keep healthy, but few of us think much about why we should develop these habits. Many experts say that understanding the impact a certain practice has on our health can keep us motivated to adopt it and stick with it. Test your knowledge of why the following tried-and-true health habits actually work, and then try incorporating them into your routine.

- 1 Taking the stairs is good for you because...?
- 2 You should drink more water because...?
- 3 Taking a 10-minute walk is beneficial to your health because...?
- 4 Sitting up straight is better for you because...?
- 5 Going to bed earlier will help you...?
- 6 Drinking less diet soda may help you to...?
- 7 Having good balance is important because...?
- 8 Weighing yourself every week is good because...?
- 9 Having a healthy breakfast every day may help you...?
- 10 The best way to become healthier is to...?

1. Stair climbing offers a challenging cardio workout that keeps your heart healthy. Take advantage of taking the stairs at home and work as much as possible.

2. Water helps keep your body temperature normal, lubricates and cushions joints, protects your spinal cord and other sensitive tissues, and gets rid of waste through urination, sweat and bowel movements.

3. Like stair climbing, walking is a convenient and low impact form of exercise that can keep your heart healthy. Even a short walk a few times a day can be good for you.

4. Having good posture can prevent aches and pains, and it can also reduce stress on your ligaments.

5. Experts say that getting seven to eight hours of sleep a night is a marker of good heart health. Solid sleep gives you more energy and can also help you eat better by regulating the hormones that suppress your appetite for not-so-good food.

6. Research suggests the brain reacts to artificial sweeteners in diet soda much as it does to sugary sweets. Ingesting them frequently can increase your desire for high-calorie foods and put you at risk for weight gain.

7. Balance exercises like standing on one leg can help you with neuromotor training, which helps you improve your balance, agility and mobility.

8. Setting a weekly maintenance or loss goal for yourself and checking yourself against that goal helps to keep you on track and your weight in check.

9. Eating something high in fiber that includes protein for your first meal will keep you full and energized all day. Need an idea? Try oatmeal, skim milk, berries and nuts.

10. Being realistic about building new healthy habits can take some time. Stay focused on your goal, and if you slip along the way, just start again.



We take your data security seriously

Protecting your personal data from today's breed of cyber-criminal is a main focus in our firm. We continue to implement best-of-breed technologies and enhance our internal processes to keep your sensitive data safe and secure.

Thank you for making us your trusted advisor.