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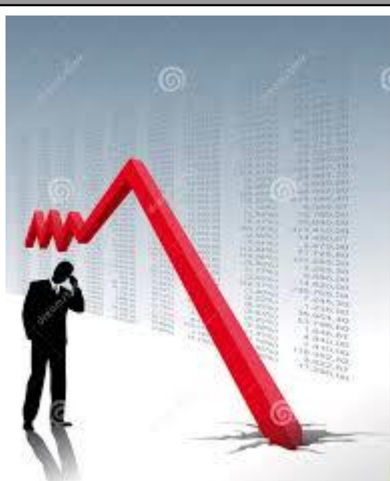
TABLE OF CONTENTS



If all of someone's retirement funds are in the stock market, a decline or even stagnation can have a tremendous negative impact on a person's ability to retain the purchasing power of their retirement cash flows. It is imperative now that people in retirement or nearing retirement place some of their funds in s safe money place.

BIG CHANGES COMING

One of Ronald Reagans' biggest applause line was his joke "I'm from the Government, and I'm here to help you". Unfortunately, that's what happening on January 1st, 2016.

The IRS is investing itself in the lifetime income calculation business. On January 1st, 2016, the IRS is *MANDATING LOWER INCOME PAYMENTS* for all plans issued on that date and beyond. This has a direct impact on those preparing for retirement, as well as those who are in retirement, and undecided about how to provide enough lifetime income to support their lifestyle. In some cases the income protection they seek is just enough to keep the lights on.

This seems counterintuitive. At a time when the need for lifetime guaranteed income is at a premium, the IRS steps in and mandates lower payments to plan beneficiaries. Here is how it affects you, the retirement saver/investor:

If you have a current annuity with or without a lifetime income rider, this IRS ruling does not affect any plans currently in place.

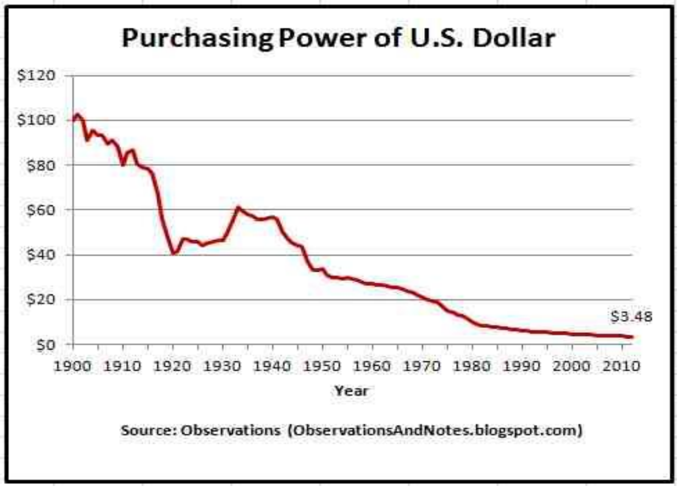
Here is the pernicious side of this ruling:

If you are a person who wants to secure lifetime income in the future, you will need as much as 30% MORE than you current account in order to generate the same income as you could get guaranteed NOW.

The numbers are staggering. Let's say you have annuity plan is in effect on December 31st, 2015, and your plan guarantees an income of $1,000 a month, Then you decide to open another plan January 1st 2016, with the same amount of capital. That plan will be limited to guaranteeing you $700 a month!

A LOSS OF 30% PURCHASING POWER!

BIG CHANGES COMING (CONT'D)



This IRS ruling is devastating to savers, people who need guaranteed income. It discounts what inflation can do to the purchasing power of the dollar.

Over the past years many people have attended my workshops. Some have secured the highest lifetime income available. Others have postponed that decision, or decided to leave their funds in the stock market. NOW is the time to secure income. The analogy would be this:

If there was an investment you wanted (stock, land or collectible) and you found out it was up to 30% off, would you go and get it before the price increase? That is what is happening here. It is a once in a lifetime opportunity, vanishing at midnight December 31st, 2015.

My opinion? If you have EVER wanted to guarantee an income stream from an asset, this is the time to do it. Income payouts, bonuses, and all of the internals of income plans are going to be forced to change. Take action now. Please contact me at (952) 649-0504, or through my website at www.srins.com in order to protect your income plans from this IRS ruling.

This is VERY important, and payouts, riders, bonuses and earning potential will never look like this again. It is time to ACT NOW. Up to 30% is a lot to lose!

CHILD RELATED TAX CREDITS

Child Tax Credit

Taxpayers with dependent children under age 17 at the close of the calendar
Year receive a $1,000 per child tax credit. In addition:

- The child tax credit is not indexed for inflation;
- The child tax credit phase-out begins at adjusted gross income levels of $110,000 married filing jointly and $75,000 for others;
- The child tax credit can be claimed against the alternative minimum tax;
- If the total amount of the allowable credit exceeds total tax liability, the credit is refundable to the extent of 15% of a taxpayer's earned income in excess of $3,000 (available through 2017); and
- A federal income tax return must be filed to receive a child tax credit refund.

Adoption Tax Credit

The maximum adoption tax credit is $10,000 per child for all adoptions ($13,400 in 2015, as indexed for inflation), and the phase-out starting point is $150,000 of adjusted gross income ($201,010 in 2015, as adjusted for inflation). In addition:

- The income exclusion for employer-provided adoption assistance is subject to the same inflation-adjusted $10,000 limit and $150,000 phase-out threshold as the credit.
- A $10,000 credit or employee exclusion is allowed for a "special needs" adoption in the year the adoption is finalized, even if the taxpayer's,qualified adoption expenses are less than $10,000. This amount is also indexed for inflation ($13,400 in 2015).

Child and Dependent Care Credit

The child and dependent care credit is 35% of up to $3,000 of eligible expenses for one qualifying individual ($6,000 for two or more). In addition, the credit is reduced by one percentage point for each $2,000 of adjusted gross income (AGI), or fraction thereof, above $15,000 through $43,000. Taxpayers with AGI over $43,000 are allowed a 20% credit. In a related provision, employers may claim a tax credit for 25% of qualified expenses for employer-provided child care and 10% of qualified expenses for child-care resource and referral services, up to a maximum $150,000 credit per year.

Give glory to the Lord, your God,
before it grows dark, before your feet stumble
on darkening mountains;
before the light you look for turns to darkness,
changes in to black clouds.
If you do not listen to this in your pride,
I will weep many tears: My eyes will run with tears
for the Lord's flock , led away in exile.
Jeremiah, 13. 15-17.

DOING THE REMARKABLE

by Jim Rohn

When it comes to meeting and conquering the negativity in your life, here is a key question: what can you do, starting today, that will make a difference? What can you do during economic chaos? What can you do when everything has gone wrong? What can you do when you've run out of money, when you don't feel well and it's all gone sour? What can you do?

Let me give you the broad answer first. You can do the most remarkable things, no matter what happens. People can do incredible things, unbelievable things, despite the most impossible or disastrous circumstances. Here is why humans can do remarkable things: because they are remarkable. Humans are different than any other creation. When a dog starts with weeds, he winds up with weeds. And the reason is because he's a dog. But that's not true with human beings. Humans can turn weeds into gardens. Humans can turn nothing into something, pennies into fortune, and disaster into success. And the reason they can do such remarkable things is because they are remarkable. Try reaching down inside of yourself; you'll come up with some more of those remarkable human gifts. They're there, waiting to be discovered and employed. With those gifts, you can change anything for yourself that you wish to change. And I challenge you to do that because you can change. If you don't like how something is going for you, change it. If something isn't enough, change it. If something doesn't suit you, change it. If something doesn't please you, change it. You don't ever have to be the same after today. If you don't like your present address, change it — you're not a tree! Find something to change!

UPCOMING EVENTS:

1. December 1 and 3, Retirement Planning Seminar, Buce Di Peppo, Eden Prairie, 5pm.
2. January 19th and 21st, Retirement Planning Seminar, Wiederholtz Restaurant, Miesvile, 5PM

Contact us through our website at www.srins.com to register.

An Addendum of Thoughts

I have been thinking about this change the IRS is bringing to retirees and soon to be retirees. It confuses me. Yet, in some sense, it does not. We are living longer. That's' a fact. Government programs and insurance companies will be paying 'lifetime income' for a longer time than expected.

The confusing part is this: with the wave of a pen, the IRS enforces on private companies an across the board rule that does not allow for private companies to do their own actuarial work, and research and innovation. It is a top-down centralized command. It is a command that takes not in to consideration company financial strength, the demographic they serve, or the region of the country in which they operate. This type of rule stifles innovation, competition, and skilled management.

On the other hand, there are no real rulings or laws promulgated to reflect the fact that Social Security has an even more pernicious albatross around its neck. Nothing in the IRS's ruling affects that government program! Its payout model is the same as if men were still living in to their mid to late 70s and women were passing away at a little over 80.

Why the dichotomy? Simple. The IRS can control the behavior of private enterprises. Fines, penalties, audit threats all are tools to control and regulate private entities without the need for congress to take action. On the other hand, to restore social security to solvency; that requires political will. What is happening here is a lazy man's way to get what he wants. To really look out for the people takes courage and hard work.

FINANCIAL INDEPENDENCE

by Tom Hopkins

Do you worry about money? I'd bet that at least 90% of people worry about money. Today people squabble about money, mismanage money, families are divided, divorces occur, and trouble runs amok. Money doesn't really make you happy, but it does give you the freedom and opportunity to find out what will make you happy. Money plays a powerful role in our lives today. It influences our relationship with our spouse, children and others we associate with. It has an effect on the level of stress we experience as well as how we communicate with others. We need to get disciplined and learn how to handle this necessary commodity well in our lifetime. Controlling our finances is a simple matter--it's just hard to do! It takes a lot of discipline to sit down with all the paperwork and summarize it all in one place so you can see where you stand financially. However if you don't, years may go by and as you approach your golden years and start checking into your financial situation, you'll wonder where all your money went. Don't procrastinate. So where does all the money go? It's not hard a hard question to answer. We can find out simply by keeping track of our personal cash outlay for one full week or month. How does one define financial independence? My definition is: ***Living comfortably off the annual income generated by your net worth at a given date in time.*** With this definition, the amount of your financial security is up to you. To achieve your chosen level of financial security you must first determine what amount of money you would be comfortable with on a monthly basis and multiply that by 12 for the annual amount. Divide your annual amount by an average interest rate (e.g., 5%). Once you have determined this figure, you need to have a plan for acquiring it.

"Pay yourself first." I suggest you first write a check to yourself every month. Just like you write a check to the electric company, I want you to write a check to yourself that you save or invest.

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