

Heinz 57

Stanley Greenfield, RHU

That may date a few of you, but do you remember the ads for that steak sauce? Better yet, do you remember when you saw a dog that didn't look like any breed that you had ever seen, and what people would call that breed? That's right, they used to refer to a dog of mixed breeds as a "Heinz 57" variety: in other words, not a pure bred. Well, that's why I have chosen that for the title of this column. This will be a variety of ideas and concepts for your edification and information. Yes, this is similar to the "Potpourri" articles that you have seen in the past, but I just got tired of using that title. Hope you enjoy.

Let's begin with an overview of some of the changes in taxes for 1993. By the way, these were in place before President Clinton took office. The personal exemption goes up by \$50 this year to \$2,350. You start to lose personal exemptions if you earn \$108,450 and are a single taxpayer, and \$162,700 if you are filing a joint tax return: even more incentive for a qualified retirement plan to lower your taxable income. You even start to lose itemized deductions over \$108,450 for joint filers. In other words, if you have a great income year, the maximum tax rate will go up from 31 percent to around 36 percent, and that does not include state and local taxes.

Speaking of going up, FICA is up for 1993 -- 6.2 percent, up to \$57,600. Medicare hospital benefits -- 1.45 percent of wages, up to \$135,000, for a total of \$5,529. That's an increase of \$200 over 1992.

The maximum Social Security benefit for a 65-year-old worker retiring this year is \$1,128 per month. I put this in here for all of you who are planning to just live off your Social Security benefits when you retire.

The banks are falling out of favor with savers these days. For every one-dollar in bank certificates a year ago, there is now only 83 cents. Where is your money? Still in that shoe box under the bed?

The Unemployment Compensation Amendments of 1992 imposed a mandatory 20 percent withholding for qualified plan distributions that are not directly transferred to another qualified plan or IRA. This law took effect on January 1, 1993.

Don't forget the IRS rules for depositing payroll taxes. You make those deposits monthly if you withheld \$50,000 or less in the year ending June 1992.

More and more people are taking a closer look at credit unions these days. Cheaper rates for financing a car loan and higher rates paid on savings. Would you like to know if you can join a credit union? Send a self-addressed, stamped envelope to CUNA Public Relations, P.O. Box 431, Madison, Wisconsin 53701. By the way, the National Credit Union Share Insurance Fund covers deposits up to \$100,000.

I'll bet that in the last 12 months you have spent more time evaluating which phone company to use than which insurance company you should use. They are still dropping like flies out there so don't play

around any longer. Drop me a line and I will send you my "must have list" of what you need and where to get it. This is a step you definitely need to take.

Most of those extended warranty contracts are a waste of money. Most overlap the basic warranty that comes with the product so the amount of coverage that you have for the price is very expensive. Take a close look before you sign on the dotted line.

Don't forget that the drive from your house to your office and back each day is considered commuting and is not deductible. That is one of the first things that an IRS agent will check on during audit.

In my article, "World's Greatest Asset," did you check over your disability coverage and drop me a line to request the work sheets that I offered? It's still not too late. Don't wait until you are flat on your back to check yours out. It's too late then.

In our ever-changing world, some things never change, while other things never remain the same. I can remember when baseball was played with a wooden bat. Now aluminum bats are seen and heard in every ballpark in the country, except the major leagues. I can remember when football was played only on fields of grass, real grass, not Astroturf. Remember when the woods of a golf set were all made of wood? Yes, some changes are for the good, but some are not. Many things have changed in the financial world. How about your financial world? Have all the changes been for your good? Are you aware of all the changes that have taken place in your financial world? Maybe it's time to take a closer look. If you need any help, follow the directions at the bottom of this article before even that changes.

Your comments and inquiries may be directed to:

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Please include a self-addressed, stamped envelope. Thank you.

Editor's Note:

Further advice on finances is available through Mr. Greenfield's newsletter, Greenfield Chiropractic Financial News, #J-314-C, on the Preferred Reading and Viewing List, pages xx.

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