

Hallett Advisors Newsletter

Give Yourself the Gift of Giving

December 2019

“Live and be happy and make others so”

- Mary Shelley

With Thanksgiving in the rearview mirror, many of us are finalizing Holiday plans, completing shopping lists and thinking of the Year ahead (is it really 2020 already?). And at the risk of sounding like Scrooge, it is also time to think about taxes.

Yes, April is still several months away. But if you could use a tax break this year, charitable contributions must be made by December 31 to potentially be counted as deductions on your 2019 tax forms.

To be clear, most of us give for many reasons more important than possible tax breaks. Your first step is to decide on who and what you want to support and how much you want to contribute. Do you already volunteer for a group in your community that would welcome monetary support as well as your time? Is there a cause that resonates with you: mentoring youth, fighting climate change, or rescuing homeless animals?

Don't feel bad if you haven't yet done anything about this; you're in good company. Nearly 90 percent of

Americans wait until these final weeks to make donations. It is the season of giving after all.

Here are three factors to consider when making charitable donations:

1. Beyond cash: Writing a check or using a mobile payment service like Venmo is perhaps the quickest way to financially support a cause. But transferring appreciated assets like stock or real estate could also pack the extra power of additional tax benefits. If you have owned them for at least one year, then donating certain types of these assets would allow you to avoid capital gains taxes.

2. Multi-year giving: One increasingly popular approach is to give to a Donor Advised Fund (DAF). This is essentially a charitable investment account dedicated to funding causes you want to support. You receive the tax deduction in the year you contribute to the DAF. The funds could be distributed from the DAF over a period of time, allowing remaining balances to grow tax free, potentially increasing the impact of the original donation.

3. Giving in retirement: If you are over the age of 70.5 years and are subject to taking Required Minimum

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Discover the difference with a
Registered Investment Advisor.

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Meet Tim Martin – Our New Financial Planning Specialist



Tim's career began as an attorney and Judge Advocate in the U.S. Marine Corps. He had the privilege of providing legal advice to Marines and supporting exercises and operations around the world. Tim eventually developed a strong interest in sustainability and environmental conservation, which led him to obtain a Master of Laws (LLM) in Environmental Law from Lewis & Clark Law School. During this program and subsequent work at an environmental nonprofit, he studied environmental economics and the "business case" for sustainability and conservation. While only one solution among many, he believes socially responsible investing can get us closer to a truly just and sustainable world.

Financial planning is the perfect combination of Tim's interest in finance and economics, interest in promoting sustainability, and his desire to help clients solve problems and achieve life goals. He is passionate about helping people align their financial decisions with their values.

Tim is originally from Ohio. He graduated from Wheaton College (Illinois) and the University of Cincinnati College of Law (Ohio) before beginning active duty in the Marines. He then lived in Virginia, Japan (Okinawa), Rhode Island, and Oregon before moving to the Olympic Peninsula. He completed his coursework in Financial Planning from Boston University during the transition to his new career as a financial advisor. He has passed the Series 65 exam and the CERTIFIED FINANCIAL PLANNER™ exam and is working towards obtaining CFP® certification.

Tim looks forward to meeting you and assisting you with financial planning!

Get to Know Tim in 10 Questions

Where Were You Born?

I was born in a small town near Toledo, Ohio.

What is Your Earliest Memory?

Playing in the yard and walking down the street to our church. My dad was the pastor, so my entire world existed in that one block.

What Inspired You to Become a Financial Advisor?

Two primary motivations. First, I want to use my professional expertise to help clients tackle and solve problems. Earlier in my career, I did this as an attorney. However, I realized I could help clients more holistically as a financial advisor. A good financial advisor will help you proactively prepare for significant life events and lead the crisis response team when “life happens.”

Second, I believe your passions and values should influence your finances and investments. The growth of socially responsible investing options and sustainability metrics influenced my decision to join this profession. Whether you want to avoid investing in certain companies, aggressively invest in good corporate citizens, utilize local financial institutions, or maximize your charitable impact, I want to help you do good while doing well!

Who Are Three People That Greatly Influenced You?

My parents ensured I received an excellent education and taught me how to live with integrity. My high school cross country coach instilled discipline, hard work, and commitment to a common cause. My grandfather was the epitome of a working man who loved his family. His hard work and frugal lifestyle led to a long, comfortable retirement.

What's One Piece of Great Advice You've Been Given?

Lead by example (a Marine Corps leadership principle).

What Are Your Favorite Books?

History of Art by H. W. Janson; *The Agony and the Ecstasy* by Irving Stone (biographical novel of Michelangelo); *Once a Runner* by John L. Parker

Where's Your Favorite Place to Travel?

Japan! (for too many reasons to list here)

Runners-up: Angkor Wat and the surrounding temples (Cambodia); Paris & Rome (for the art and architecture); any mountain range or National Park in the Western U.S.

What Are a Few of Your Favorite Pastimes?

Running - I try to run most days. I also do trail runs, road races, and group runs.

Volleyball - I've played in a recreational league almost every year since high school (yes, Port Angeles has one!).

Travel - I've visited 47 states and 12 countries.

Reading the newspaper - My ideal morning starts with coffee, the local paper, and the Wall Street Journal.

What Are Your Favorite Meals?

Olympic Peninsula - Barhop (primarily because of the great beers at a local brewery) / Victoria, BC - Sült Pierogi Bar (amazing - take the ferry and check it out) / Japan - lots of small dishes at an izakaya / New Orleans - red beans & rice with spicy sausage / Portland - fried chicken & waffles at Screen Door / New Year's Day - black-eyed peas, hog jowl, corn bread, and mac & cheese

What's One Piece of Financial + Life Advice You'd Give Your 10 Year-Old Self?

Don't stress too much about decisions - both big and small. Look for open doors. Make a decision and move on. Sometimes I still stress too much over making the perfect decision instead of relaxing and enjoying life.

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Distributions (RMDs) from your traditional IRA, then you should consider setting up a Qualified Charitable Distribution (QCD). This allows you to transfer up to \$100,000 annually from the IRA to one or more qualified charities tax-free. While there is no tax deduction with the QCD, giving this way can reduce your overall income. And like the gift that keeps on giving, this may also reduce other potential taxes such as the surtaxes on Medicare and investment income, and taxation of Social Security benefits.

In addition to helping causes that matter to you and receiving possible tax breaks, giving is good for you and for your health. Study after study clearly show that people who give are happier and healthier and better able to meet Life's challenges. Consider today and the Year ahead as your opportunity to make a difference. You will thank yourself for the Gift.

- Article by James D. Hallett

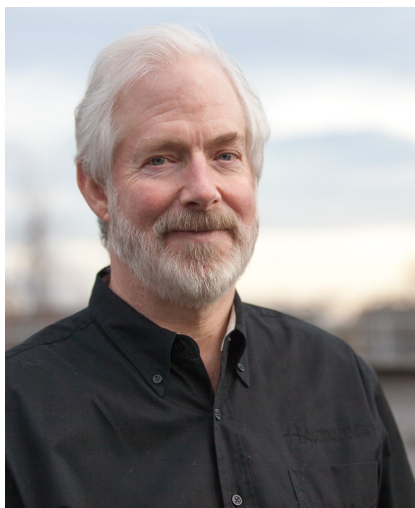
Note: Certain charitable transactions must be initiated before Christmas in order to process before the end of the year. Please contact us immediately if you are considering the strategies discussed above.

Thank You for a Great 2019!

The Hallett Advisors family grew in 2019:

- Corinne joined us in March.
- Jason and his wife welcomed Emerson Michelle Wilson to their family in May.
- Tim joined us in October.

We look forward to 2020 and another year of serving our clients and the community as the largest independent financial planning firm in the North Olympic Peninsula!



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