

## IN THE NEWS: October 23rd, 2017

Welcome to the October issue of Client *Insights*, an e-newsletter that provides you a roundup of the most important financial services industry news.

### [IRS Announces 2018 Estate and Gift Tax Limits: \\$11.2 Million Per Couple](#)

The IRS announced that the federal gift and estate tax exemption, which increases annually with inflation, will be \$5.6 million per individual in 2018 (or \$11.2 million for a married couple), a \$110,000 increase from the 2017 exemption level of \$5.49 million. The increase also applies automatically to the generation-skipping transfer tax exemption. In addition, the federal annual gift tax exclusion will increase from \$14,000 to \$15,000 per individual in 2018.

### [Take Profits Without Paying Taxes](#)

Many people are currently facing an evitable problem. They have assets that have greatly appreciated over time but these benefits can trigger an unwanted capital gains tax. This article talks about ways that clients can feast on profits, while avoiding unwanted taxes. Overall, this article can assist clients in realizing capital gains, while still avoiding the capital gains taxes.

### [Gift Tax Returns: Adequate Disclosure is Key](#)

In order to protect clients and advisors, it is vital for taxpayers to file gift tax returns disclosing gifts and non-gifts. This article states that the Internal Revenue Service can assert gift taxes, even if it is fifty years later. The article goes on to talk about a situation where failure to file a gift tax return ended up being very costly for individuals involved. The article also goes into detail on how to proceed if the IRS comes calling about this issue.

### [Six Glorious Places to Ski this Season](#)

This year, many of the world's best ski resorts have been introducing new improvements to their mountains and luxurious slope-side retreats. This article goes into details about a handful of the most exciting offerings for the season and has broken down each resort into personality-based

recommendations. For example, the article shows resorts that may be best for luxury seekers, family skiers, or adventurers. Along with the article, there is a brief quiz if you are still unsure which resort may be best for your needs.

### [Hedge Fund Assets Set Fifth Quarterly Inflow Record](#)

The total hedge fund capital through the third quarter increased to a \$3.15 trillion. This number is \$50 billion over the April-to-June period. This large increase was driven by steady performance and investor inflows. As these equities set records, investors are exploring more use of alternatives. Heinz predicted that these trends would continue through the year, driving industry growth into 2018.

### [Extreme Loss Aversion is Not a Retirement Strategy](#)

Extreme loss aversion refers to a retirees tendency to hold on to their money rather than invest it. There are numerous reasons why retirees succumb to extreme loss aversion. It could be because of family member influences, lack of knowledge, or fear because of a past bad investment. The article explains how extreme loss aversion is not a strategy since a strategy implies action. The article provides possible solutions to avoiding extreme loss aversion by educating oneself, taking investment actions, and planning, one can invest properly and provide themselves with a better retirement strategy.



#### **John A. Anderson, CLU**

Tempewick Wealth Management LLC  
177 Madison Avenue  
Morristown, NJ 07960-6090  
973-285-1000

[ja@tempewickinvestments.com](mailto:ja@tempewickinvestments.com)

[www.tempewick.com](http://www.tempewick.com)



[www.mdrt.org](http://www.mdrt.org)

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