



MAINSAIL WEALTH ADVISORS



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## Key Retirement and Tax Numbers for 2019

Every year, the Internal Revenue Service announces cost-of-living adjustments that affect contribution limits for retirement plans and various tax deduction, exclusion, exemption, and threshold amounts. Here are a few of the key adjustments for 2019.

- Employees participating in a SIMPLE retirement plan can defer up to \$13,000 in 2019 (up from \$12,500 in 2018), and employees age 50 and older can defer up to an additional \$3,000 in 2019 (the same as in 2018).

### Employer retirement plans

- Employees who participate in 401(k), 403(b), and most 457 plans can defer up to \$19,000 in compensation in 2019 (up from \$18,500 in 2018); employees age 50 and older can defer up to an additional \$6,000 in 2019 (the same as in 2018).

### IRAs

The combined annual limit on contributions to traditional and Roth IRAs increased to \$6,000 in 2019 (up from \$5,500 in 2018), with individuals age 50 and older able to contribute an additional \$1,000. For individuals who are covered by a workplace retirement plan, the deduction for contributions to a traditional IRA is phased out for the following modified adjusted gross income (AGI) ranges:

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	2018	2019
Single/head of household (HOH)	\$63,000 - \$73,000	\$64,000 - \$74,000
Married filing jointly (MFJ)	\$101,000 - \$121,000	\$103,000 - \$123,000
Married filing separately (MFS)	\$0 - \$10,000	\$0 - \$10,000

**Note:** The 2019 phase-out range is \$193,000 - \$203,000 (up from \$189,000 - \$199,000 in 2018) when the individual making the IRA contribution is not covered by a workplace retirement plan but is filing jointly with a spouse who is covered.

The modified AGI phase-out ranges for individuals to make contributions to a Roth IRA are:

	2018	2019
Single/HOH	\$120,000 - \$135,000	\$122,000 - \$137,000
MFJ	\$189,000 - \$199,000	\$193,000 - \$203,000
MFS	\$0 - \$10,000	\$0 - \$10,000

## Estate and gift tax

- The annual gift tax exclusion for 2019 is \$15,000, the same as in 2018.
- The gift and estate tax basic exclusion amount for 2019 is \$11,400,000, up from \$11,180,000 in 2018.

## Kiddie tax

Under the kiddie tax rules, unearned income above \$2,200 in 2019 (up from \$2,100 in 2018) is taxed using the trust and estate income tax brackets. The kiddie tax rules apply to: (1) those under age 18, (2) those age 18 whose earned income doesn't exceed one-half of their support, and (3) those ages 19 to 23 who are full-time students and whose earned income doesn't exceed one-half of their support.

## Standard deduction

	2018	2019
Single	\$12,000	\$12,200
HOH	\$18,000	\$18,350
MFJ	\$24,000	\$24,400
MFS	\$12,000	\$12,200

**Note:** The additional standard deduction amount for the blind or aged (age 65 or older) in 2019 is \$1,650 (up from \$1,600 in 2018) for single/HOH or \$1,300 (the same as in 2018) for all other filing statuses. Special rules apply if you can be claimed as a dependent by another taxpayer.

## Alternative minimum tax (AMT)

	2018	2019
<b>Maximum AMT exemption amount</b>		
Single/HOH	\$70,300	\$71,700
MFJ	\$109,400	\$111,700
MFS	\$54,700	\$55,850
<b>Exemption phase-out threshold</b>		
Single/HOH	\$500,000	\$510,300
MFJ	\$1,000,000	\$1,020,600
MFS	\$500,000	\$510,300
<b>26% rate on AMTI* up to this amount, 28% rate on AMTI above this amount</b>		
MFS	\$95,550	\$97,400
All others	\$191,100	\$194,800
*Alternative minimum taxable income		

Raymond James financial advisors do not render advice on tax or legal matters. You should discuss any tax or legal matters with the appropriate professional

# Crew Happenings

Mainsail adds a new member to the team, Randi Zahm.

Randi Zahm, Client Service Associate:



I am so excited to have joined the Mainsail Team in May! I have been in the Financial Services industry for over eight years, including both brokerage and banking. Prior to joining Mainsail Wealth Advisors, I worked as an underwriter for SunTrust Mortgage and Chesapeake Bank, and a Client Service associate with Morgan Stanley Wealth Management. The last eight years I have spent commuting back and forth to work, and am SO excited to be able to finally work locally here in Gloucester. The time saved from driving has given me such an appreciation to my additional time spent with my family and my business, When Pigs Fly.

I live in Gloucester with my husband, Mike, and my daughter Harper Jean. Mike has worked locally for the last five years as the Fitness Director for the Riverside Health and Wellness Facility. Harper Jean turned three in May and keeps us on our toes constantly. I look forward to growing with the Mainsail Team and continuing to build relationships with clients!



Linde Reed, Senior Client Service Associate:



Once again the winter season is upon us and the summer season for Virginia is gone with all its sunshine! All good things are happening in the Reed household through the winter season. We were blessed with another granddaughter, Aubrey Gail. I also gained a new title as great aunt to Claire Elizabeth. My husband, JW, and I spent a week in the Bahamas with close friends in January. In February, I was given the opportunity to attend a Client Associate/Business Professional Workshop at the home office of Raymond James in St. Pete, FL. Not a bad place to have to attend a workshop. The three days of educational sessions was very empowering and a fountain of information. I signed up for and toured the home office, which is filled with a great collection of artwork. Most of our traveling will be to Lake Gaston going forward. You may have heard the rumor, we sold our Harley Davidson... yes, it's true. JW and I have been motorcycle advocates as long as I have known him – over 36 years. We took the funds and have invested in a small home at Lake Gaston to enjoy at our leisure. Along with our family and friends, we try to



get to the Lake as often as possible. The final big change was the move for Mainsail Wealth Advisors back to the historical Courthouse area of Gloucester. The new office is amazing, as to be expected from the Mainsail Team. I look forward to meeting with our clients at the new location. I will end with the “Lake Rules” posted in our little getaway...

***Relax, Go Fishing, Laugh a Lot, Take a Nap, Enjoy, Make Memories***

Ellen Satchell, Senior Registered Client Service Associate:



The past few months have not only been busy at the office, but also outside the office. Everyone has a “bucket list” and my husband Bob’s included going back to his alma mater, The United States Military Academy, and participating with his class in the 2017 March Back events in early August. The weekend was full of activities, but the March Back was the highlight of his time there. He marched with alumnae and the first year Cadets from Camp Buckner to the Superintendent’s home on campus, a 12.2 mile march. This event marked the end of the Cadets’ basic training. Later in August, Bob and I attended our daughter Jessica’s wedding in August in Bishop, CA at quaint mountain cabins named Parchers Resort - 9,290 feet elevation in Inyo National Forest.

Emily, our youngest daughter, started a new job in September at Eastern Virginia Medical School in Norfolk, where she is part of a team redesigning the school’s websites. Our sons Gregory and Jason have had a record year at their Service Master Disaster Restoration business in Durham, NC.

In October, we attended a wedding of a longtime family friend of our son’s from Gloucester (who has been like another son to us). The wedding was in Coral Gables, and October in Florida was as glorious as was the wedding. Many who attended were from Gloucester, and the celebrations for the entire wedding weekend were extraordinary.

Our travels continued as we headed to Durham for Christmas with all the family, which was wonderful. While there, we spent time with many friends and had much fun, filled with laughter and surrounded by family dogs. Christmas night, we all traveled to Wake Forest to have dinner with my son Jason’s fiancée, Julie, and her family. They prepared a buffet spread with a variety of food, including delicious homemade Korean dishes. Entertainment included group karaoke, lively conversation at the dinner table, and photos as we posed with holiday props; I am not sure who had more fun, the children or the adults.



Just this month, Bob had the most recent lung scan and his results showed free of cancer. These results prompted a family celebration conference call and group texting as well! Many blessings have come our way.

**Nick Shedd, Financial Advisor, RJFS:**



The first half of 2018 has flown by, with Caroline and I celebrating several exciting milestones together. In May, Caroline received her Doctorate of Physical Therapy from VCU. She is now working full time as a physical therapist with OrthoVirginia in Richmond.

A few short weeks after Caroline's graduation, we were married at Williamsburg Winery with all of our closest family and friends in attendance. The day went by incredibly quickly, but Caroline and I had so much fun celebrating with everyone and made so many memories that will last a lifetime. After one day of rest following the wedding, we were heading to the airport to catch a flight to St. Lucia for our honeymoon. This was my first time outside of the U.S., and it was well worth the wait! We spent most of our time enjoying the beach and the delicious local fare.

Later in June, Caroline and I closed on our first house together. After many months of searching and countless house tours, we finally found the perfect home for us. We have been busy tearing down wallpaper, painting, and renovating the kitchen to make the house our own, as we moved in this August. We look forward to having time to relax and enjoy the remainder of our first year of marriage in our new home!



**Jason Koptish, Managing Partner | Financial Advisor, RJFS:**



After spending the better part of a year plowing through coursework and preparing for the CFP certification exam, I finally checked that off my to-do list in July. My family was glad to have me back in the fold on the weekends, to say the least. Shortly after the exam, my wife and I headed out to California along with my brother and sister-in-law for a wine tour of sorts. We drove the coast from Santa Barbara all the way to San Francisco. While there were so many unique towns and beautiful scenery everywhere we looked, Big Sur was definitely the highlight for me. If you've never been, I would highly recommend it.

My daughter, Parker, continues to pursue playing the guitar and is part of a really neat program called School of Rock. Essentially, it is an approach that allows for some individualized instruction along with group instruction with your very own rock band to hone your skills. Unlike when I was growing up learning, they focus on playing songs that kids actually know and love. At the end of their semester, they play a concert at an actual concert venue which is most definitely a highlight for the kids.



My son, Noah, entered middle school this year, and so far he is doing really well. Much to his surprise, he made the soccer team as a 6<sup>th</sup> grader and is very excited to have the opportunity to represent his new school, Short Pump Middle School. They finished the season undefeated, capping off the season with a 1-0 win in the finals of the city-wide tournament.

After twelve years with Carmax, my wife, Leigh, decided it was time to move on. She started a new career as a consultant with a very small boutique firm called the Frontier Project. She will have the opportunity to work with many Fortune 500 companies to help develop new and innovative talent management processes and programs, and is very much looking forward to the new challenge.



**Scott Glaze, Managing Partner | Financial Advisor, RJFS:**



2018 was a wonderful year for the Glazes, with the highlight of the year being our amazing trip to Costa Rica! We began with a stay in central Costa Rica exploring Arenal Volcano – its neighboring waterfalls, cloud forests, and rain forests, and all the exotic wildlife. We then traveled west to Playa Conchal and enjoyed all of the gorgeous beaches of the Guanacaste coast. The food, local tour guides, vegetation, wildlife, culture, and Pura Vida lifestyle captured our hearts, and we hope for a return trip in the near future.

School resumed in September, with Patrick entering his senior year and Shelton his sophomore year, both at York High School. Patrick enjoyed another season with the YHS Golf Team and currently awaits notifications from his top college picks. Shelton thrived in his freshman season with YHS Soccer last spring, and hopes to see his team make it to States again this season.

Scott and Laura continue to enjoy the final “launching” phase for the boys, with college plans falling into place for Patrick, laying the path for Shelton along the way. Relationships with these teenage sons are

far different from those from when they were little boys, and as such, we are grateful for the young men they have become. We cherish our time together – from cooking together at home, to boating in our beautiful surrounding waters, and slipping away together for weekend getaways or family vacations.

We look forward to what promises to be a monumental end of school year with Patrick’s graduation in June. In the meantime, the boys’ annual trip to Jackson Hole is right around the corner, and Shelton will be officially on the road (sans accompanying adult) soon thereafter. Life is good, or... como se dicen en Costa Rica, “¡Pura vida!”

Scott Haley, Managing Partner | Branch Manager, RJFS and Sarah Haley, Senior Client Service Associate:



The Haleys had a wonderful year. Jess and Sam have both finished their first semester of their senior years. Jess goes to Virginia Tech and Sam goes to Gloucester High School. We can't believe we will be empty nesters soon. Where has the time gone?

We now have a grand dog as Jess purchased a Golden Retriever (Tilly) in February. Tilly is a sweet little girl and Jess is doing a great job training her! Jess was home for the summer and worked at Little Lights day care again. She is now in the process of looking for a full-time job now that she will be a part of the "working world" come May.

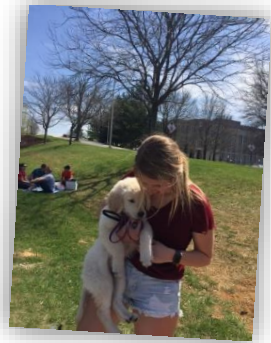


Sam was a captain of his Gloucester High School Soccer team in 2018. He also played on a Baystars Club team. Sam has applied to several colleges. We are very excited to see where he chooses to go to college and what he will focus on in his studies.

Scott is excited to coach the boy's high school soccer team again this year - Sam's last season having his dad as a coach. Last year, the team made it to the Regionals for the first time ever in Gloucester history. We look forward to seeing how far we will go this year.

Our family enjoyed some summer fun starting with Sand Soccer in VA Beach and then a trip to Nags Head with the Haleys in June. We also went on our annual trip to Michigan in July to spend time with Sarah's side of the family. To finish the year we are taking a cruise with our kids and extended family. This is sure to be a great way to ring in the new year.

We are very excited to be in our new office and are enjoying our location in the heart of Gloucester Courthouse. We want to thank you all for your continued confidence and friendships, and we wish you a very happy and safe New Year.







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