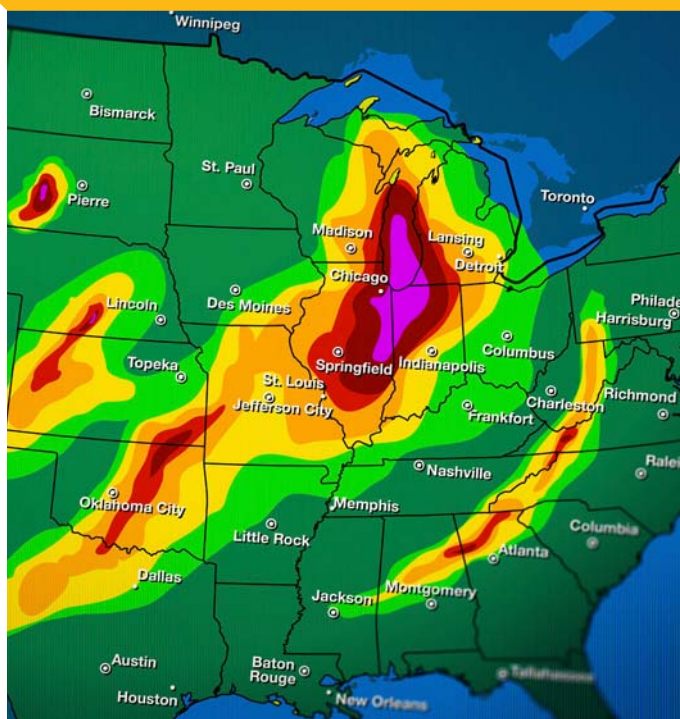


Important Tax Date

Third-quarter individual estimated tax payments are due by September 15.

Weather Disasters



Before Bad Weather Strikes

Being prepared for the worst is always a good idea. Your plan shouldn't only include bottled water, batteries and candles—but also your financial and family documents. While putting together your emergency kit, don't neglect your financial kit.

Store copies of important documents either in a safety deposit box at the bank or in a weather-proof box at home. Another option would be to put PDF copies on a password-protected USB drive or in cloud storage. Have accessible copies of insurance documents and contacts, as well as other financial documents, including bank statements, credit card bills, family records (birth, marriage, death certificates), photocopies of credit and identification cards (e.g., passports, driver's licenses), all tax records and any supporting documents.

Take inventory of your home (and business) by photographing all of the items inside and out. At the very least, you should do this on an annual basis, but more often is ideal. When taking inventory, also make it a habit to back up your computer, especially if you store important documents and pictures on it.

Dealing With the Aftereffects

A casualty loss from a weather-related event is defined as the damage, destruction or loss of property. To claim this loss on your tax return, you need to know the value of what was lost. Generally, this is the fair market value. You also need to know the change in value of the property from before the damage occurred to after it occurred. If the decline in value is less than your cost, then the smaller amount is used for calculating the deductible loss.

This amount is decreased by any insurance or other reimbursement you receive on the property. Sometimes reimbursements can actually lead to a gain from the casualty instead of a loss, in which case different rules may apply that limit or defer reporting gain to the IRS.

The loss after insurance reimbursement is reduced by \$100 and reported on Schedule A, *Itemized Deductions*. The aggregate total of all casualty losses will be reduced by 10 percent of your adjusted gross income.

Did You Know?

Nine out of ten lightning bolts strike land rather than oceans.



Quote Corner

"Climate is what we expect,
weather is what we get."

~Mark Twain