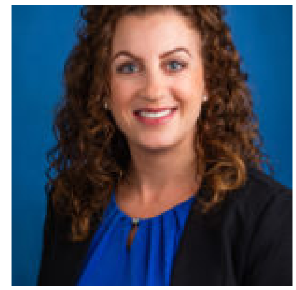
Sally Carlisle Completes 12-Week Class on “Aquaculture in Shared Waters”



Sally Carlisle

Sally Carlisle of Allen Insurance and Financial has completed the 12-week class “Aquaculture in Shared Waters,” offered earlier this year by Coastal Enterprises.

Carlisle, a member of the business insurance team and based in the company’s Belfast office. The class was offered at locations in Brunswick and Belfast, with the final four classes offered via video conference.

Topics included site selection; shellfish biology; marketing, sales and logistics; equipment and husbandry and public health and biosecurity. Presenters included representatives of the Maine department of Marine resources, the Maine Aquaculture Association, the Maine Aquaculture Innovation Center, Coastal Enterprises, UMaine’s Sea Grant program and the U.S. Army Corps of Engineers.

“Continuing education is an important part of all aspects of the insurance industry,” said Carlisle. “This class offered a unique opportunity to learn about what is and will continue to be one of our state’s burgeoning industries.”

Health Benefits – Information Update – 4/6/2020

By Sherree L. Craig, CEBS

Sherree L. Craig, CEBS

Bravo to the businesses continuing uninterrupted, but changed, right now.

As you may be struggling to maintain your footing in business, your employees need some assurances and an understanding of what might happen with their oh-so-important-now health benefits in the event of a reduction in their work hours, a temporary layoff, a furlough, or if a termination of employment becomes necessary.

• Maine Insurance Code Update. By order of Governor Mills, an employer may continue to insure employees during an interruption to their employment. If an employer chooses this option, this offer must be made to “all affected employees on a non-discriminatory basis.”

• COBRA/mini-COBRA. Federal law requires companies with 20 or more employees to offer continuous group health plan coverage to qualified beneficiaries for a certain period of time, depending on the qualifying event. In Maine, employees working for a company with fewer than 20 employees also have a continuation of coverage opportunity in the event of a temporary layoff. This mini-COBRA protection can extend for up to 12 months and can be paid by the employee or company. The insurance company should be notified of this status change, but the employee’s coverage will be maintained on your group bill. It is important to note that if your company is officially out of business, these options are no longer available.

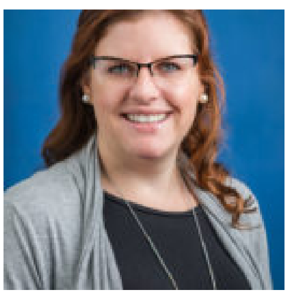
• Healthcare.gov Special Enrollment Opportunity. Employees should be encouraged to review this chance to enroll on the Federal Healthcare Exchange in a timely manner. The loss of group health insurance is considered a qualifying event (unless for non-payment of premiums). This is the time to enroll and apply for subsidies. It must be done at the termination of the group health coverage or at the end of a COBRA election period. They cannot elect COBRA for a few months and then try to switch to the Exchange.

• MaineCare. Due to the expansion of MaineCare eligibility, many of your employees may find themselves eligible for this program. They may apply for coverage or check eligibility at [www.maine.gov/mymaineconnection.](http://www.maine.gov/mymaineconnection)

If you have questions about this topic, or other federal requirements for continuation of coverage during a medical leave, I encourage you to reach out to your insurance benefits professional.

Wishing you all the best for your health and success.

Anna Moorman Recognized for 2019 Sales



Anna Moorman

Anna Moorman of Allen Insurance and Financial has been recognized for Medicare supplement sales in 2019 by Anthem, one of the largest Medicare supplement carriers in the state of Maine.

Moorman is one of two agents at Allen Insurance and Financial who specialize in the complex market of Medicare insurance, working with a number of insurance carriers to give customers a range of choices to suit their needs. Moorman has been with Allen Insurance and Financial since 2012.

The Anthem award was announced in Portland on Feb. 25. This is the fifth consecutive year that Moorman has received an award from Anthem for Medicare sales; for 2019 she was named one of Anthem's top 10 sales leaders.

"This award indicates that Anna's clients appreciate the way she simplifies the process," said Michael Pierce, company president. "And that's key, because our goal is to provide dedicated, one-on-one attention to our Medicare customers, assessing each person's needs and finding options that will align with their budget and healthcare goals."

Sarah Ruef-Lindquist is President at Maine Planned Giving Council

Sarah Ruef-Lindquist, JD, CTFA

Sarah Ruef-Lindquist, JD, CTFA will be serving as president of the Maine Planned Giving Council in 2020.

A financial advisor and wealth manager at Allen Financial in Camden, Ruef-Lindquist has been a council board member for most of the past 20 years, and is a regular presenter at the council's annual fall conference.

Ruef-Lindquist has had a role in planned giving as an attorney, former trust officer and philanthropic advisor and consultant to non-profits across New England. She previously served as vice president for Southern Maine of the Maine Community Foundation, Senior Administrative Trust Officer at Union Trust Company, Senior Consultant and founder of Planning for Good and CEO of the Maine Women's Fund.

A trustee of Unity College and director of Rockland Savings Bank, Ruef-Lindquist has presented for the Maine State Bar Association, Association of Fundraising Professionals and Planned Giving Group of New England. She is licensed to practice law in Maine and New Hampshire, and resides in Camden.

Ruef-Lindquist succeeds David Warren, planned giving and major gifts officer at Maine Coast Heritage Trust, as MPGC president. She previously served as president in 2006 and 2007.

"The unprecedented intergenerational transfer of wealth taking place at this time presents tremendous opportunities for organizations to have meaningful conversations with their donors about where their estate and financial planning intersects with their philanthropic passions. Our goal is to see to it that those conversations can take place." said Ruef-Lindquist.

Founded in 1995, the Maine Planned Giving Council (MPGC) is a statewide, independent, non-profit organization created to encourage charitable giving in Maine through planned giving. The

MPGC defines planned giving as any deferred or current charitable gift where the donor’s objectives and circumstances are fully considered in order to provide maximum benefit to both the donor and the charity.

Kellie Doolen Joins Allen Insurance and Financial

Kellie Doolen

Allen Insurance and Financial is pleased to announce that Kellie Doolen of Lincolnville has joined the company as a scanning associate and receptionist.

A native of Houlton, Doolen is a graduate of the University of Maine and brings 15+ years of retail management and customer service experience to Allen Insurance and Financial. She is based in the company’s Camden office.

Sherree L. Craig Now Licensed as an Insurance Consultant in Maine

Sherree L. Craig, CEBS

Sherree L. Craig, CEBS, Senior Account Executive in the Benefits Division at Allen Insurance and Financial, is now a licensed insurance consultant in Maine.

“Sherree’s efforts demonstrate her deep commitment to continuing professional development,” said Mike Pierce, company president. “This commitment is important to all of our insurance divisions but it is especially so in the always-changing field of employee benefits.”

Craig holds Fellowship standing in the International Society of Certified Employee Benefit Specialists through the Wharton School of Business, and an advanced certification in self-funding from the National Association of Health Underwriters.

The SECURE Act, Part II

By Sarah Ruef-Lindquist, JD, CTFA

Sarah Ruef-Lindquist, JD, CTFA

Earlier this month, we shared how with January 1, 2020 came a host of changes in how retirement planning will be done in light of the new law affecting retirement plans known as the SECURE Act (Setting Every Community Up for Retirement Enhancement Act of 2019) signed into law in late 2019.

There are a few more aspects to this law that impact how people save for and draw from their retirement plans.

Good News for charities: 70 ½ is still the age to be eligible to make Qualified Charitable Distributions, even though Required Minimum Distribution age is now 72.

One of the most significant changes is that the age when someone must begin taking funds out of a 401(k) or IRA has moved from 70 ½ to 72; For many years, people who turned 70 ½ have to begin withdrawing distributions (Required Minimum Distributions, or “RMD’s”0 (and paying related income taxes) by April 1 of the following year or suffer a hefty penalty of 50% of the amount of the distribution; Now, the age is 72.

70 ½ is still the age at which one becomes eligible to make direct charitable gifts to charity (up to $100,000 total charitable gifts each year) and not have the gift amount included in taxable income. That's great news for charity and for non-itemizers who are able to take advantage of this tax-efficient means of charitable giving.

Saving for retirement is ageless: No age limit on contributing to IRA

Anyone with earned income for the year may now make contributions to an IRA. Previous to the SECURE Act, age 70 ½ was the cut off and anyone older than that could not make contributions. Now even those beyond 70 ½ can continue to contribute to their IRA as long as they have earned income equal to or greater than the amount they want to contribute, up to $7,000 for 2020.

We will be hearing more about this new provision of the law affecting retirement plans as we enter 2020 and the new decade. Be sure to check with your financial advisor about how any of this may affect your particular situation.

When a Collision is not a Collision

By Chris Richmond

Originally submitted to WorkBoat Magazine / January

A client's vessel was tied to the dock, unloading its catch. Another fishing vessel struck his boat while backing out. The offending captain said not to worry, that he had excellent coverage and passed along his insurance agent's contact information. After a couple of weeks of dealing with the other company's adjustor, my client was informed that there was no coverage for this claim. The owner who had struck him had hull coverage, but no liability.

If you have a lender involved with your vessel, most likely they will require proof of hull coverage to protect their interests. What they do not ask for is proof of protection and indemnity (P&I) coverage. These are two separate policies that provide different coverages for your commercial vessel. P&I provides coverage for any crew and passengers, as well as any damage to something you hit, whether it be another vessel or a pier. Your hull insurance provides coverage for damage to your vessel, wreck removal and collision liability up to the limits of your hull coverage.

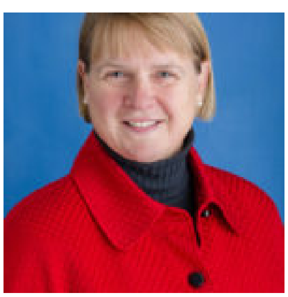
But when is a collision not a collision? You might think that in the case mentioned above that a collision occurred – one vessel ran into another. But because one boat was secured to a dock and not moving, the event became an allision. In the insurance world, when one vessel strikes another moving vessel, this is a collision. When a vessel strikes a fixed or non-moving object, this is an allision.

In our client's claim, he was secured to the dock. It was an allision, which would normally be covered under the P&I policy. As the other vessel did not have P&I, the claim was denied. Fortunately, in this case our client's insurance company stepped in and covered the claim. The insurance company then has the option to go after the vessel owner to recover payments for the loss.

By opting to not carry P&I, a vessel owner opens himself up to a wide range of potential claims that would not be paid. Each part of a commercial vessel's policy is specifically worded to cover certain parts of a vessel, as well as its operation. Don't make the mistake of thinking some coverage is better than none.

The SECURE Act

By Sarah Ruef-Lindquist, JD, CTFA



Sarah Ruef-Lindquist, JD, CTFA

Happy New Year! With January 1, 2020 comes a host of changes in how retirement planning will be done in light of the new law affecting retirement plans known as the SECURE Act (Setting Every Community Up for Retirement Enhancement Act of 2019) signed into law in late 2019.

There are many aspects to this law that impact how people save for and draw from their retirement plans. Here are just a few.

70 ½ become 72

One of the most significant changes is that the age when someone must begin taking funds out of a 401(k) or IRA has moved from 70 ½ to 72; For many years, people who turned 70 ½ have to begin withdrawing distributions (Required Minimum Distributions, or "RMDs (and paying related income taxes) by April 1 of the following year or suffer a hefty penalty of 50% of the amount of the distribution; Now, the age is 72.

But be careful: The law doesn't take effect until January 1, 2020, so those who turned 70.5 years in 2019 still need to withdraw their required minimum distributions as required under the old law. People who are expected to turn 70.5 years old in 2020 will not be required to withdraw RMDs until they are 72.

The end of the non-spousal inherited "Stretch" IRA

Until the SECURE Act, those who inherited IRA accounts from people to whom they were not married were able to "stretch" the payments out of the IRA over their own life expectancy. This allowed the funds to grow tax free longer, and delay the payment of income tax resulting from those distributions.

While spouses who inherit their deceased spouse's IRA can stretch the distributions over their own life expectancy, the SECURE Act requires most other beneficiaries withdraw all assets of an inherited account within 10 years. There are no annual or other periodic required minimum distributions within those 10 years, but the entire balance must be distributed within 10 years of the death.

Oh, baby!

A new provision of the SECURE Act will allow penalty-free withdrawals of up to $5,000 from 401(k) accounts to defray the costs of having or adopting a child. This provision will assist mostly younger retirement savers who have a longer runway until they actually will be tapping into their 401(k)'s for retirement income.

We will be hearing more about this new provision of the law affecting retirement plans as we enter 2020 and the new decade. Be sure to check with your financial advisor about how any of this may affect your particular situation.

Which Charitable Giving Strategy is the Best Fit for You?

For many, the holidays are a time for giving back—whether by donating to a favorite charity or helping out a family member. Before you make a donation or gift, however, it's important to choose the right strategy, paying close attention to potential tax and legal implications.

Charitable Giving

If there's a charitable organization you'd like to donate to, be sure to take the time to consider the charitable giving vehicle you'll use to make your gift. Let's look briefly at some of the options.

Outright gifts. Outright gifts of cash or property provide charities with immediate resources. Be sure to keep your receipts or bank records to validate any income tax deductions you wish to claim. Keep in mind that you may need a professional appraisal to qualify for a tax deduction on certain noncash contributions.

Donor-advised funds. A donor-advised fund is a charitable giving vehicle managed by a public charity for the purpose of distributing funds to other charities. When you contribute to a donor-advised fund, you can advise the charity on the grants it makes, as well as take advantage of possible tax deductions. Be aware, however, that there may be a minimum donation amount, and administrative fees may cut into the funds available for grants.

Charitable remainder trusts. With this type of trust, the donor receives income from the trust for his or her lifetime, the lifetime of another person, or a period of up to 20 years. At the end of the specified term, the remaining trust assets are distributed to a charitable beneficiary. The greatest benefit of a charitable remainder trust is that you can take advantage of immediate tax benefits while continuing to utilize the assets, as you may deduct the present value of the charitable remainder interest. On the downside, charitable trusts tend to be complex to set up and usually require legal and administrative support.

Charitable gift annuities. A charitable gift annuity is a split-interest gift made directly to a charity that provides you, your spouse, or a family member with fixed income payments for life. The charity typically ends up with about half of your donation, while you get an immediate tax deduction and some guaranteed income. Keep in mind that an annuity is a contract between you and the charity, and your return isn't guaranteed by the government.

Private foundations. A private foundation is a charity established by an individual, family, or corporation. Although it offers donors a great deal of control over their gifts, a private foundation can be costly to administer, and it must adhere to a strict set of rules designed to ensure that it carries out its charitable purpose.

Bequests. If you wish to give to charity posthumously, you may make bequests by way of your will, trust provisions, or beneficiary designations. Although bequests offer simplicity and are easy to set up, they are not income tax deductible during your life.

Gifting to Family Members

Giving back doesn't always mean giving to charity. Gifting to family members can be just as rewarding, and it can be an effective way to transfer wealth while reducing or avoiding taxes. Here are several common strategies for gifting to family members:

- **Making an outright cash gift.** For tax year 2019, you may gift up to $15,000 to any individual without tax consequences. (This amount increases to $30,000 for married couples). This limit will remain the same for tax year 2020. If you're sharing gifts with your spouse, or you'd like to gift more than this amount to one person, you'll need to file a gift tax return using IRS Form 709.
- **Paying college tuition or medical bills directly.** If you'd like to pay a family member's expenses directly to a school or health care provider, the $15,000 limit does not apply. Plus, you're still free to give the individual a

separate tax-free gift of up to $15,000.

- **Contributing to a 529 plan.** With this strategy, you can contribute to a relative’s qualified education expenses while paring down your own estate. Contributions to 529 plans grow tax deferred, and withdrawals for the beneficiary’s education are tax free at the federal level (and usually at the state level, too). Additionally, 529 plans are eligible for a special exemption that allows you to gift up to five years’ worth of annual exclusion contributions (i.e., up to five times $15,000, or $75,000, per person per year) without using any estate and gift tax exemption. You will need to file IRS Form 709 to document the transaction.

With all the options available, choosing the best way to give to charity or family members can seem overwhelming. Don’t hesitate to reach out to your financial advisor to discuss various strategies and select an option that makes sense for you, your family, and your financial situation.

This material has been provided for general informational purposes only and does not constitute either tax or legal advice. Although we go to great lengths to make sure our information is accurate and useful, we recommend you consult a tax preparer, professional tax advisor, or lawyer.