

New Year's Holiday Hours

New Year's Eve, Monday, Dec. 31: Closing at 1 p.m.

New Year's Day, Tuesday, Jan. 1, 2013: Closed.

Our offices will be open again Wednesday, Jan. 2, 2013 at 8 a.m.

Weekly Market Summary – 12/27/2012

Despite a large sell-off on Friday, equity markets posted strong gains heading into the home stretch for 2012. The S&P 500 rose 1.21 percent, while small-cap stocks, measured by the Russell 2000 Index, were the biggest winners, gaining more than 3 percent. The Dow Jones Industrial Average held true to form: it not only lagged on the week but it is behind year-to-date as well. [Read more now.](#)

Holiday Hours

Happy Holidays! Our offices will be closed Christmas Eve and Christmas Day, Monday and Tuesday, Dec. 24 and 25 and will reopen Wednesday, Dec. 26, at 8 a.m.

Here is our schedule for the following week:

- New Year's Eve, Monday, Dec. 31: Closing at noon.
- New Year's Day, Tuesday, Jan. 1, 2013: Closed.
- Our offices will reopen Wednesday, Jan. 2, 2013 at 8 a.m.

Weekly Market Summary – 12/17/2012

The Federal Reserve (Fed) announced last week that it will continue purchasing \$45 billion in longer-term Treasuries on a monthly basis and discontinue selling short-term securities. In addition, the Fed will continue purchasing \$40 billion in mortgage-backed securities per month, considerably expanding its balance sheet.

[Read more now.](#)

Welcoming Cale Pickford



Cale
Pickford

Cale Pickford has joined Allen Insurance and Financial as a personal and commercial insurance specialist. He will be based in the company's Camden office.

Previously he held a similar position with Atlantic Insurance and Benefits in Belfast.

Cale is a graduate of Mt. View High School in Thorndike and of Hamilton College in Clinton, N.Y. Prior to his insurance

industry experience, Pickford worked in the securities industry in New York City and in advertising and sales in both New York and St. Thomas, USVI.

Cale and his wife Marisa decided to raise their family in Midcoast Maine, where he grew up. They live in Lincolnville with their two young children.

He is active with area youth sports and the Belfast Area Chamber of Commerce and he is a member of the board of directors at Peopleplace Cooperative Preschool in Rockport.

Weekly Market Summary – 12/11/2012

Equity markets were fairly strong last week, as the S&P 500 Index gained 0.20 percent. Weakness in technology-related names, however, worked to the disadvantage of the Nasdaq Composite, which lost ground on the week. [Read more now.](#)

Dan Bookham Passes Maine P&C License Exam



Dan Bookham

Allen Insurance and Financial is pleased to announce that Dan Bookham, commercial insurance producer, has obtained his license to sell property and casualty insurance in the state of Maine.

Bookham joined the company in September 2012 after three years as executive director of the Penobscot Bay Regional Chamber of Commerce. He participated in the company's in-house education program, which is available to all employees and took and passed the licensing exam on Dec. 7.

"I credit Allen's in-house training program," said Bookham. "It's heartening to know that I work for a company that invests the same level of care and attention in its employees that it does in its clients."

Dan can be reached at 236-411 or at [dbookham\(at\)allenif.com](mailto:dbookham@allenif.com)

Long-Term Care Insurance

Individuals are living longer—but we are not necessarily living these years in the best of health. Although medical advances have helped increase our life expectancy, we still must face the realities of aging. A less than happy truth is that we often spend several of our last years in need of assistance with day-to-day routines. As health care expenses rise, it is important that we think about ways to protect you against the risks long-term care presents.

[Read more now.](#)

Weekly Market Summary – 12/4/12

Equity markets posted modest gains last week. The S&P 500 Index gained 56 basis points (0.56 percent), but the higher-beta Nasdaq Composite and Russell 2000 Index were the best performers, increasing well over 1 percent. The Dow Jones Industrial Average lagged. [Read more now.](#)

Year-End Charitable Giving

As the holiday season approaches, with the end of one year and the start of another, we pause to give thanks for our blessings and the people in our lives. It is also a time when charitable giving often comes to mind. Charitable giving can be enhanced using income tax deductions, and so it can be much more effective when it is included as part of year-end tax planning.

Example(s):

Assume you are considering making a charitable gift equal to the sum of \$1,000 plus the income taxes you save with the charitable deduction. With a 28% tax rate, you might be able to give \$1,389 to charity ($\$1,389 \times 28\% = \389 taxes saved). On the other hand, with a 35% tax rate, you might be able to give \$1,538 to charity ($\$1,538 \times 35\% = \538 taxes saved).

Hurricane Sandy relief

The IRS cautions people wishing to make disaster-related charitable donations to be aware of possible scams relating to Hurricane Sandy. Be sure to deal with recognized charities, and be wary of charities with similar sounding names. It is common for scam artists to impersonate charities using bogus websites, and through contact involving e-mails, telephone, social media, and in-person solicitations. Check out the charity on the IRS website, www.irs.gov, using the search feature, Exempt Organizations Select Check. And don't give or send cash; contribute by check or credit card.

Tax deduction for charitable gifts

If you itemize deductions on your income tax return, you can generally deduct your gifts to qualified charities. However, the amount of your deduction may be limited to certain percentages of your adjusted gross income (AGI). For example, your deduction for gifts of cash to public charities are generally limited to 50 percent of your AGI for the year, and other gifts to charity may be limited to 30 percent or 20 percent of your AGI. Disallowed charitable deductions may generally be carried over and deducted over the next five years, subject to the income percentage limits in those years. And be sure to retain proper substantiation of your deduction for a charitable contribution.

Year-end tax planning

When considering making charitable gifts at the end of a year, it is generally useful to include them as part of your year-end tax planning. In general, taxpayers have a certain amount of control over the timing of income and expenses. You generally want to time your recognition of income so that it will be taxed at a lower rate, and time your deductible expenses so that they can be claimed in years when you are in a higher tax bracket.

For example, if you expect that you will be in a higher tax

bracket next year, it may make sense to wait and make the charitable contribution in January so that you can take the deduction in the next year when the deduction produces a greater tax benefit. Or you might push the charitable contribution, along with other deductions, into a year when your itemized deductions would be greater than the standard deduction. And, if the income percentage limits above are a concern in one year, you might move income into that year or move deductions out of that year, so that a larger charitable deduction is available for that year.

A financial or tax professional can help you evaluate how to make charitable gifts in a way that is beneficial to you.

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