PEI

PROFESSIONAL EDUCATORS OF IOWA

INDEPENDENCE IN LYNNVILLE-SULLY

PEI is proud to announce that another Iowa district is independent. In an unprecedented move, the votes for both decertification of the union and certification of a sovereign local unit were unanimous! This creates a self-governing local bargaining unit that can include **all teachers** regardless of the individual's organization affiliations or political persuasions.

The Lynnville-Sully leadership contacted PEI early in 2013 with the appropriately typical questions about the potential possibilities of decertifying the union. PEI was there to answer the questions of what it is like to be independent and how that affects the local bargaining. One of the great strengths of being self-governing is that an enhanced trust can be built with the board and administration of a district. Knowing that the bargaining is ultimately going to affect the students, a negotiator doesn't need to second-guess where the ideas for contract change have originated.

Lynnville-Sully is the 5th Iowa school that has sought out and successfully gained independence through the guidance of the law and encouragement to work with the Public Employment Relations Board. The guidelines are very specific concerning timing, petitions, and voting. To be autonomous means that PEI will be there to help, but every decision and the bargaining itself is done by the teachers and others in the unit. That distinguishes PEI from the unions and is harmonious with our status as a professional association. These teachers no longer have to pay dues that go to political, social, or national issues for which they do not subscribe. PEI is proud to be a source of information because **Knowledge is Power!**

Scholarships 2014 are now available

Deadline April 1, 2014

To see the complete 2014 scholarship listing visit our website.

Make sure you use the cover page provided.

Money Smart Conference
Saturday, April 12

Drake University

You are invited to the **Money Smart Investor Conference and Money Expo on Saturday morning, April 12th**. It's free to attend and will be held at Olmsted Center, Drake University.You'll enjoy complimentary breakfast and attend three breakouts to become a better saver and investor. The keynote speaker starts at 8 a.m.--nationally known Gerri Walsh, president of the FINRA Investor Education Foundation.

Following the Conference, we have the **Financial Expo!** Stay for a free lunch, then browse the exhibits and hear great tips from a few experts starting, at 12:30 p.m. It's free, but you must **register to attend and sign up for a lunch ticket** at: http://www.MoneySmartConference.com

FOR THE STUDENTS - Jumpstart is sponsoring a poster contest with some great cash prizes. Go to http://iowajumpstart.org/

10 Credits And Deductions Commonly Missed

I recently watched a couple of TV shows where people used metal detectors to uncover “buried treasure.” One show focused on buried meteorites, the other on Civil War artifacts. Although many of the unearthed “treasures” were not valuable, it only took one profitable “hit” to keep the “prospectors” motivated enough to continue searching. Reading this article by CPA Stacy Johnson, CEO and Editor of MoneyTalkNews, can be similar to that experience. He shares ten common credits and deductions that are often missed while preparing our taxes. You may already know all ten, but if there is just one that you are not familiar with, you may have discovered “buried treasure” that will save you money!

1. Charity. You can deduct the value of any cash or property donations to a legitimate charity, although you’ll need receipts. That’s common knowledge, but here’s something that isn’t: Volunteers can deduct 14 cents per mile traveled to and from charity work, plus out-of-pocket expenses from that work, including supplies and required uniforms. (Your time isn’t deductible.) For more details, check out Publication 526, the IRS Guide to Charitable Contributions.

2. Child care. The Child and Dependent Care Credit helps cover the cost of day care (20 to 35 percent, depending on income), but many people aren’t aware it also extends to the cost of summer day camps (but not overnight-stay camps), adult dependent care and even housekeeping. Restrictions apply, but it’s worth checking out. For this one, you’ll want to look to IRS Publication 503. And remember, a credit is worth a lot more than a deduction, because a credit reduces your taxes dollar for dollar, whereas a deduction only reduces the income you’re taxed on. For example, if you’re in the 25 percent tax bracket, a dollar of deduction reduces your tax by 25 cents. But a dollar of credit reduces your taxes by a full dollar.

3. Retirement. Retirement contributions often qualify for a deduction (which reduces your taxable income) but they can also net you a credit if you make under $27,750 a year for single taxpayers and $55,500 for joint filers. It’s called the Retirement Savings Contribution Credit or Savers Credit, and if you made contributions to an IRA, 401(k) or other qualified retirement plan, you may be eligible for a credit of up to $1,000 single or $2,000 joint. The less income you make, the bigger the credit.

4. Move. If you’ve moved at least 50 miles for a job, you may be able to deduct moving expenses. But if you’re actively seeking work, many other costs are deductible, too – employment agency fees, resume preparation, business cards, travel (at 56.5 cents per mile) and other expenses. But there are catches. It has to be for work in the same field, and it’s only for those who itemize. To see what you can qualify for, you can check Publication 521. But a quick way to determine if your moving expenses will be deductible is to use this IRS worksheet.

http://www.irs.gov/uac/Can-I-Deduct-My-Moving-Expenses%3F

5. School. Knowledge is power *and* lower taxes. The American Opportunity Credit is the best way to lower taxes because it's partially refundable, meaning you can theoretically get more money back than you paid in. You'll get the credit for the full amount of the first $2,000 spent on qualifying college expenses and 25 percent of the next $2,000, so the max is $2,500. Income limits apply. It starts phasing out for single taxpayers with a modified adjusted gross income of more than $80,000, $160,000 for joint filers. The American Opportunity Credit is only available for the first four years of college. If you go beyond that, look to the Lifetime Learning Credit. It's up to $2,000 — 20 percent of the first $10,000 in qualifying expenses – and is available for as many years as you qualify. It also includes graduate classes and job training courses. Income limits apply to this one as well. For 2013, the credit starts phasing out for single taxpayers with more than $53,000 of modified adjusted gross income, and joint filers with $107,000 of MAGI.

Make too much to qualify for either credit? You can still deduct qualified expenses under the Tuition and Fees Deduction. It can reduce your taxes by up to $4,000. Read about all the education credits and deductions here. But remember, you can't take them all, just the one that will give you the biggest write-off.

6. Military service. If you're in the Reserves and traveled more than 100 miles last year for training or other duties, you can deduct hotel stays, half your meal costs, and travel expenses (parking, tolls, mileage at 56.5 cents per mile). No need to itemize. The IRS has other tax tips for service members – for instance, pay from any month you spent in a combat zone is not taxable.

7. Medical expenses. Because of income limitations, medical expenses are tough to deduct. But do the math if you had big bills last year. Expenses totaling more than 10 percent of your adjusted gross income (7.5 percent if you were born before 1949) will reduce your taxable income. There are a lot of qualifying medical expenses to include, like insurance premiums (including what you pay into an employer plan) and travel to and from treatments. The self-employed can deduct their whole insurance premium as long as they made a net profit for the year and aren't covered by another employer (including through your spouse).

8. Energy efficiency. For several years now, there have been some juicy credits for installing qualifying energy savers, like new windows and insulation. But it looks like tax year 2013 will be the last year. You get a credit of 10 percent of the cost of certain energy-saving improvements for 2013, but it has a lifetime limit of $500, and only $200 of that can be for windows. Read more at this page of the IRS site. There's still one great credit left, however. If you installed something that uses alternative energy, like a solar water heater, geothermal heat pump or wind turbines, you can get a credit of up to 30 percent of the cost. That's good until 2016.

9. Baggage fees. If you're self-employed and travel for business, you know that your travel expenses are deductible. But if you got nailed for a baggage fee at the ticket counter last year, that's deductible too.

10. State sales taxes. You may have heard that the deduction for state sales taxes was slated to expire. It was, but was reinstated. You're allowed to deduct either state sales taxes or state income taxes, whichever helps most. If you're lucky enough to live in a state without state income taxes, easy decision: Deduct your sales taxes. But even if you do pay state income tax, you should still compare, especially if you bought a big-ticket item last year, like a car.

The IRS has a handy calculator to see how much you can deduct.

Source: MoneyTalkNews.com, Stacy Johnson, February 26, 2014. To sign up for Stacy's Newsletter, go to https://email.moneytalksnews.com/signup/.

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