

MORE THAN MONEY



SID MITTRA, Ph.D.

Plan now to reduce 1997 tax bills

Editor's note: This is the last article in a four-part series on tax planning.

All taxpayers should review certain fundamental year-end tax strategies for reducing their tax liabilities. This year's tax planning should also consider recent legislation that includes the provisions that became effective in 1997.

Accelerating Deductions - The timing of most itemized deductions is dependent on when the expenses are paid. Make payments by December 31, 1997, if your 1998 marginal tax bracket is expected to be the same as or lower than the 1997 marginal bracket. Examples of deductible expenses that generally can be timed include state and local income taxes, real estate taxes, charitable contributions, and your January home mortgage interest payment.

Bunching Deductions - Certain expenses (e.g., medical expenses, investment expenses) are deductible only if they exceed a specified percentage of adjusted gross income. If a taxpayer incurs such expenses each year, but the total does not exceed the threshold, a "bunching" strategy should be considered. Incurred some of next year's expenses at year end may allow you to take a deduction every other year.

Deferring Income - If income is deferred to 1998 (or a later year), the tax on that income is also deferred. Taxpayers may be able to defer income by simple techniques, such as waiting until late December to bill for services, or by sophisticated strategies, such as deferred compensation planning that requires the expertise of a personal financial advisor.

Selling Investments - Any decision to sell a capital asset should be based on the investment merits of the asset and the individual's goals; however, tax consequences can play an important role. One should always carefully consider the effects of the alternative minimum tax, particularly in years when large capital gains are reported.

Gifts - The annual gift tax exclusion allows taxpayers to give up to \$10,000 per donee (\$20,000 if the spouse joins in the gift) without paying gift tax. Consult your tax advisor as to which assets are best suited for gifts from an income or estate tax standpoint.

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Sid Mittra, Ph.D., CFP, is professor emeritus of finance at Oakland University, and owner of Mittra & Associates, a Troy financial consulting firm. This column was critically reviewed by Professor Jerold Grossman of OU. You can e-mail questions or comments to Sid Mittra at smittra@ecconline.com.

Bloom takes radio message to video



Financial advisor Rick Bloom, who has dispensed investment advice for more than 10 years in the local media, will soon be going national with a video tape that breaks down the basics of investing.

BY KRISTEN JORDAN
STAFF WRITER

It's never too soon to start saving for the future, says local finance authority Rick Bloom. And Bloom should know. He is the local voice for Southeast-

ern Michigan investors. He's given financial advice every weekend on Detroit talk radio for more than 10 years. He's also a daily columnist for *The Detroit News* and appears on Detroit's affiliate television station, WXYZ-TV, to offer financial advice. He has a degree in accounting from

Michigan State, is a CPA, and has a law degree from the University of Michigan.

And now he has his own video. Bloom teamed up with Jeff Ellis, a certified public accountant, to create a home video called "Rick Bloom's Guide to Understanding Investing." The video breaks down investment terms and explains how and where to get started in financial planning.

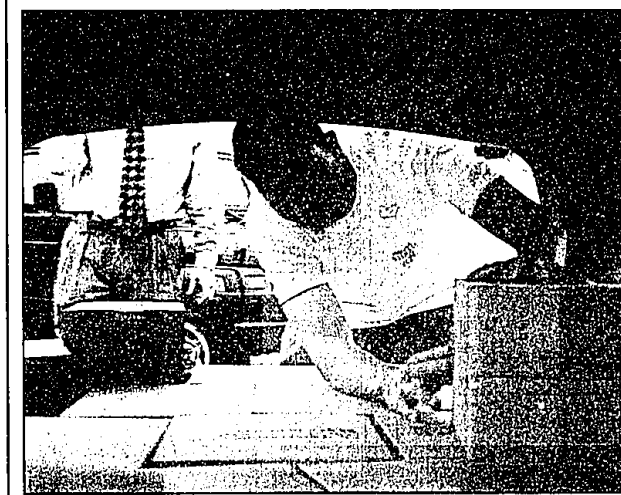
"The best time to start is now, today," Bloom said. "The biggest mistake is that (people) don't start a savings program until it's too late, and

too late is the day after they start their first day of work. As soon as you start working, you have to start saving for retirement."

Ellis agreed. "The reason (people) should get involved immediately is as they can develop a discipline," Ellis said. "If you do it when you get your first pay check, it becomes a way of life."

Bloom says the key to successful investing lies in personal involvement, research, knowledge and the

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Loading: Dave Watts loads boxes of Entertainment Books into the back of his car. The 1998 editions were just released from the company's Troy headquarters.

Entertainment '98

Coupon book publisher rolls out latest model

BY KRISTEN JORDAN
STAFF WRITER

A caravan of cars, jeeps, minivans and trucks lined up in Entertainment Publications' Troy parking lot Wednesday to fill their vehicles with boxes of "Entertainment Ultimate '98" - the coupon and discount book for Detroit area residents.

Entertainment Publications is the company that distributes the books to nonprofit organizations as a tool for raising money. The books cost the buyer \$40. Thirty-two dollars goes to Entertainment Publications and \$8 per book is donated to the nonprofit group.

The company, in its 37th year of publishing, would

not disclose the exact number of books they plan to distribute this year, but spokeswoman Wendy Rose said they expect to raise more than \$2 million from the sale of the books.

"Use the book twice and you've not only paid for the book, but you've helped a non-profit organization."

And this year the book is different from years past - it's fatter.

Entertainment Publications decided to consolidate the four regional books into one large book this year, with coupons and discounts from merchants in all four regions included at the same \$40 price.

This year's book weighs

See ENTERTAINMENT, F6

Workers stressed by modern work place

Despite the recent declining trend in unemployment figures, many Americans continue to feel vulnerable when it comes to a sense of job security.

While corporate profits and employment levels are up, today more Americans are working on a contractual or temporary basis, while still others find themselves waiting anxiously for the next "downsizing" to occur.

And even when they do have job security, many American workers feel stuck in monotonous jobs or are required to work more extended hours, often taking time away from

"What many people don't realize is that they can often change their own behavior or attitude so that workplace stress doesn't get to them so much."

Arthur Lewandowski
President, MPA

important family relationships. Such factors often leave workers feeling out of control. They contribute to the very real experience of job-related stress.

Month, the Oakland County-based Michigan Psychological Association is making an effort to inform workers that psychologists are specially trained to help them deal with workplace stress.

According to a recent survey by the American Psychological Association, 47 percent of Americans do not know when it would be appropriate to see a mental health professional, and 68 percent say they do not know how they should go about seeking professional help if they think they do need it.

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Nominations sought for small business person of the year

The U.S. Small Business Administration's Michigan District Office is now accepting nominations for its 1998 small business awards, including an award for Small Business Person of the Year.

Organizers say the process is simple. The nominator may submit a preliminary nomination letter in any format. Only those who advance to the final selection stage will be asked to submit a more detailed nomination packet.

Nominations will be accepted in the following categories:

- Small business person of the year
- Small business exporter of the year

- Young entrepreneur of the year
- Minority small business advocate of the year
- Women in business advocate of the year
- Veteran small business advocate of the year
- Accountant Advocate of the year
- Financial services advocate of the year
- Media advocate of the year

Award winners will be honored at the 16th annual Michigan Small Business Day conference to be held in Lansing in the spring of 1998.

State winners are also eligible for national awards and the Small Business Person of the Year award which has been to be presented during Small Business Week in Washington, D.C.

Criteria varies for each award. For example, nominees for Small Business Person of the Year will be evaluated according to growth in number of employees, sales volume and profits, staying power, innovativeness, response to adversity and community service.

More information is available by calling (313) 226-6075, Ext. 282. All preliminary nominations are due by Oct. 15.

Kmart credit card applications on-line

Troy-based Kmart Corporation announced Wednesday that customers may now apply for their Kmart Credit Card on-line through its Internet home page at www.kmart.com.

Visitors to Kmart's Web site have the option to complete and submit an application for a Kmart Credit Card over the Internet and receive a same-session credit decision.

Approved applicants will receive their credit cards in the mail.

The Kmart Credit Card, issued by Beneficial National Bank USA www.bnbusa.com, allows cardholders to earn up to 6 percent back on eligible purchases.

Kmart is excited to be able to make the credit card application process easier and more private by offering an on-line application process.

Our eligible shoppers may now obtain credit in the privacy of their own homes," said Lori Price, Kmart manager, credit card operations.

BNB USA designed an easy on-line credit card application for its

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This column highlights promotions, transfers, hirings and other key personnel moves within the Oakland County business community. Send a brief biographical summary including the towns of residency and employment and a photo, if desired, to: Business Milestones, 805 E. Maple, Birmingham, MI 48009. Our fax number is (810) 464-1314.



Gerald J. Grady of Canton was promoted to shareholder of the Southfield office of Folmer, Rudzewicz and Co., P.C., a certified public accounting firm. His previous position was principal. Grady joined the firm in 1985 as a junior accountant with one prior internship. He earned a Bachelor's degree in

Accounting information Systems from Eastern Michigan University and is a member of MACPAA, AICPA and DANUG. Folmer, Rudzewicz and Co., P.C., one of Michigan's largest CPA firms, is an advisor to the closely held business owner. In addition to traditional accounting services, the firm provides business management and consulting services.

John A. Bales will join the products liability group at Oppenheimer Wolff and Donnelly's Detroit office. Bales will focus on automobile product liability litigation, particularly the development of litigation strategies, handling discovery, evaluating, moderating, negotiating, and disposing of products liability lawsuits and claims. He was previously employed as an attorney in the office of the General Counsel of Ford Motor Company.

BUSINESS MILESTONES



Moonka

Dilip Moonka, M.D., of West Bloomfield was named director of the Viral Hepatitis Clinic at Henry Ford Hospital. Moonka will oversee and conduct clinical research on new treatments for hepatitis, including the use of interferon-12, an immune enhancer. In addition to his research responsibilities, Moonka will work as a liver transplant specialist, treating patients with liver failure. He earned his bachelor's degree from the University of Pennsylvania in Philadelphia and his medical degree from Stanford Medical School.



Sinkula

Scott J. Sinkula of Ferndale was recently appointed to the position of account executive with French and Rogers, a business to business advertising, public relations, and marketing agency. Sinkula will be responsible for coordinating all phases of marketing communications for the firm's automotive OEM suppliers and manufacturing accounts. He was previously employed as an account executive/manager at Gauthier Marketing in Toledo, Ohio. Sinkula attended Bowling Green State University and completed the Midwest Management Systems

course in effective selling strategies.

John DeCerechio of Birmingham, John Garlock of Troy, Rich Vinsen of Royal Oak and David Bierman of Dearborn were part of the team from W.B. Doner and Company that created the "Lady of the House" commercial spot for Fay's Drug stores. W.B. Doner was awarded a Bronze Lion at the International Advertising Festival held in Cannes, France for the spot. The Bronze Lion Award is the third prize in the Cannes festival that annually honors the best commercials throughout the world. DeCerechio is vice chairman/executive creative director for the company. Garlock and Vinsen are vice presidents/associate creative directors. Bierman is a copywriter for W.B. Doner and Company.

Chris Robar of Livonia was

recently hired as a salesperson for Tennyson-Chevrolet-GEO of Livonia. Robar was formerly the manager of a Pizza Hut Restaurant in Novi and Plymouth.



Bashawaty

Karen Bashawaty, M.A., will join Life Management Services as a psychotherapist, limited license psychologist, licensed professional counselor, career counselor and career counselor. Bashawaty has been involved in business management for more than 20 years. She is currently a psychotherapist and career counselor.

Danielle Clerci of Farmington Hills was recently named senior account executive for Golin/Harris Communication's Philadel-

Please see MILESTONES, F6