



**ROTARY:
MAKING A
DIFFERENCE**

ROTARY VOTARY

The Rotary Club of West Chester, District 7450
Ian Riseley, International President 2017-2018

Bulletin #28 www.WestChesterRotary.us February 15, 2018

This Week's Program: February 15, 2018
Classification Talk
Speaker: Bob Hall
Club Financial Review
Speaker: Tim Walsh & Sue Casso Rogers

Next Week's Program: February 22, 2018
Education of Sustainability
Speaker: Dr. Paul Morgan,
WCU

MINUTES by Matt Holliday

President Mickey opened the meeting and **Gary Hess** gave the invocation. Then we sang the Eagles Fight Song.

We had a visiting Rotarian named John Renzetti from the Longwood Club. **Matt Holliday** introduced Dan Artikani who submitted his application for membership. **Deb Sparre** introduced Melissa Baxter who has also put in an application for membership.

Faith Woodward introduced "Froggy" who was our club's exchange student four years ago. **Lynmar Brock** introduced his wife.

Brad Abel gave five happy bucks to thank the club for letting him be Sergeant at Arms for the last 18 months. **Dr. Poole** gave five happy bucks because his youngest daughter just became a Grandmother.

Paul Woodruff gave a happy dollar because he is driving down to Florida where he will be staying for the next month. **Linda Hicks** gave a happy buck to celebrate her husband's retirement. **Cynthia Stroup** was happy that **Winnie** adopted her 7 years ago today.

Steve Founds had the club sing Happy Birthday to **Catherine Friedman** in the key of "G".

Matt Holliday did a Rotary Making a Difference Spotlight on our club's Board of Directors.

Christine Wildauer gave a fruit sale update. Sales are behind, so we really need people to get out and sell! The cut off for sales is February 19th. **Mickey Hall** reminded us about the Soup for the Homeless project which will be collecting on February 15th and 22nd. She also congratulated **Sue Flynn** as the Chester County Family Academy won the Non-Profit of the Year Award from the Greater West Chester Chamber of Commerce. Our very own Rotarian, **Jim Scanlon**, Superintendent of the West Chester Area School District, won the Citizen of the Year Award at

the same banquet.

Paul Woodruff won the 50/50 drawing. Though he did not draw the elusive Queen of Spades.

SPEAKERS REVIEW by Faith Woodward

Rob Feenan presented a program on the new tax laws.

Fortunately, since this writer is not a financial wizard, Rob shared his Power Point.

Tax Cuts and Job Act of 2017

The economic motivation and the legislative process of the law, the reduction in corporate rate, the new paradigm for international corporate taxation, and the changes for individuals.

Historical Perspective: The US tax rate for foreign investments was established 30 years ago and is no longer competitive. Other countries have now undercut our rate.

Legislative Process: The House passed bill H.R. 1, then the Senate passed an alternative version and the Joint Conference Committee Report presented a final bill that is a compromise and has unique provisions

Corporate Changes- New Paradigm for International Corporate Tax – new law adopts a "territorial" income tax system. Cash repatriated into the US would generally be untaxed when transferred, but there would be no foreign tax credit.

Individual Rate Reduction 2017 Tax Rates- In 2017, the top tax for joint returns was \$131,628 and 39.6% of the amount over \$470,700. In 2018, 35% was for joint filings from \$400,000 to \$600,000 and 37% above that.

Standard Deduction- The law increases the standard deduction for married filing a joint return to \$24,000. This is reversed 1/1/26.

Personal Exemptions – reduced to zero

Increasing Child Credit (adding non-child dependents)- increased to \$200,00 per child. Reversed 1/1/26

Home Mortgage Interest- in 2017 this was \$1 million, in 2018 it will be \$750,000. The home equity interest deduction was repealed

State and Local Taxes –allowed as a deduction only when paid or accrued in carrying on a trade or a business.

Charitable Contributions – 50% limit for cash contributions to public charities and for certain private foundations increased to 60%

Miscellaneous Itemized Deductions Subject to 2% Floor will be disallowed. Examples, tax preparation expenses, investment advisory fees, union dues, and unreimbursed employee expenses.

Medical expenses – Preserves this deduction but reduces the floor to 7.5%

Corporate Changes and Small Business - Of the three types, C-Corp, Partnership, or S-Corp, only the Loss Limitations Rules Applicable to individuals in the past, if an individual or Corporation lost money, they could go back 2 years and get a refund on paid taxes. Now you can only go forward.

Qualified Business Income (QBI) Deduction- 20% is the potential deduction.

Devised Depreciation Rules 20% deduction for QBI is limited to 50% of W-2 wages paid by the entity

Accounting Methods for Small taxpayers- This applies companies with less than \$25 million in sales and simplifies inventory accounting. .

Restrictions on Interest Deduction-Replacement provision, effective 12/31/17, limits the amount of deductible interest to the business interest income, plus 30% of taxpayer's adjusted taxable income, plus taxpayer floorplan financing interest.

As Steve Bayles suggested, see your CPA for an explanation!

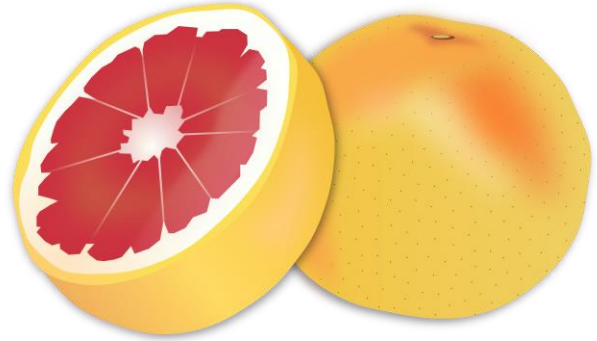
SAVE THE DATE

Feb 9-11	RYLA
Feb 15 & 22	Soup for Safe Harbor
Feb 17	Community Warehouse Project
Feb 19	Fruit Orders Due
Mar 3	Fruit Pick Up @ Duie Pyle

Check out the Rotary Calendar of events at <http://www.westchesterrotary.us/clubcalendar.htm>
Add events: calendar@westchesterrotary.us

THANK YOU

Copies of the Votary are provided today by
Faith Woodward at Barclay Friends



SELL FRUIT

NEW MEMBERS

The following individuals have been proposed for membership and have indicated their desire to become members:

Ken Klein First Priority Bank - VP / Business Development Officer. Classification - Banking / Management
Sponsor - **Bob Hall**

Melissa Baxter Devereux Advanced Behavioral Health / Program Director. Classification - Mental Health Programs
Sponsor - **Gary Hewitt**

If no written objections are received by the Club Secretary within ten (10) days of this notice a date will be set for their inductions.

THE ROTARY CLUB BOARD of DIRECTORS

President, Mickey Hall; President-Elect, Bill Friedmann; Vice-President, Matt Holliday; Past President, Bob Rogers; Secretary, Sue Casso Rogers; Treasurer, Tim Walsh; Sergeant-at-Arms, Brad Abel; Directors-at-Large: Laura Aloisio, Cristina Combee, Catherine Friedman, Rob Malone, Rich Murray, Andrew Stump, Glen Sweet, Ernest Zlotolow.

David Haradon, District Governor

Bronwyn Martin, Assistant Governor

Charles Streitwieser, P. D.G. '13-14 District 7450

Robert Poole, P.D.G. '80-'81 District 7450

HOW TO GET IN TOUCH

Votary Committee: Chair, Faith Woodward, 610-918-3432; Votary@westchesterrotary.us Web support: Judi Bell and Howard Sundwall.

Webmaster@WestChesterRotary.us Committee: Pat Barron, Mark Berenato, Chris Feryo, Elizabeth Guman, Pat Henson, Gary Hess, Matt Holliday, Fran Luft, Cathy Palmquist, Patty Roos, Winnie Stroup, Glen Sweet, Marjorie Wentz