

# DSD Insurance Newsletter

**December 2015**

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**INDEPENDENT DISTRIBUTOR NEWS YOU CAN USE**

## Year End Planning for Direct Store Distributors

As 2015 draws to a close, it presents you with a good opportunity to review your personal and business situation and take action on several opportunities to improve your financial position.

### **Tax-Deductible and Tax-Deferred Opportunities**

In general, you'll want to reduce your taxable income today so you can put away as much as you can legally and comfortably afford for your needs in the future.

Funds you contribute to a tax-qualified plan such as an IRA, 401(k) or HSA (Health Savings Account) is not taxed to you in the year you contribute to it. There are some exceptions, like a Roth IRA, but in general, what you put away today avoids taxation until some time in the future.

Another benefit -- the interest on and growth of your money, inside of a qualified plan for your retirement or health related expenses becomes taxable when you're older and, presumably, in a lower tax bracket.

### **Health Insurance Opportunities**

Due to rising costs associated with providing health insurance, many individuals, including small business owners, are finding themselves forced to buy their own health insurance.

To keep premiums affordable, many insureds are buying what's called a high-deductible health insurance plan. These kinds of plans provide coverage for significant expenses associated with major surgery or extensive illness but require the insured to pay for more 'minor' expenses such as office visits, prescriptions, etc. out of their own pocket. In exchange, these kinds of plans have much lower premiums than 'full service' types of health insurance coverages.

Is this an option for you and your family? Maybe. If you're healthy, you may want to consider this kind of coverage because you can sock money away into an HSA (Health Savings Account). This is a tax-qualified account where you can put your money away today, to help you pay out-of-pocket medical expenses you may have to pay, in the future, under a high-deductible health insurance plan.

When you make a contribution to your HSA, you get a tax-deduction for it!

## **DSD Insurance**

135 Hayesbury Drive • Pelham, AL 35124

**(866) 621-1770**

Serving the Direct Sales Distributor Community Since 1985

### **PSSSSSST...**

**Did you know that we also offer personal lines insurance for your autos, homes and toys?**

**Are you paying too much? Do you have the right coverage? Are you getting all of your discounts?**

**We can help you answer all these questions (and more!)**

**Contact us for more information  
[www.ShubertInsurance.com](http://www.ShubertInsurance.com) or (866) 621-1770**

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## Year End Planning for Direct Store Distributors (cont.)

Furthermore, the growth on the funds you put into your HSA will also avoid being taxed. Of course, if you do incur qualified medical expenses under your high-deductible plan, you can use these funds to pay them.

When you do, you won't have to pay income taxes on these funds. And, if you don't need these funds, you can gain access to them, tax-free, during your retirement.

### **Business Do's and Don'ts**

As more direct sales distributors are operating as separate business entities – corporations and LLC's (Limited Liability Companies) – it's imperative that you find a good accountant you can work with to help you with your business affairs.

### **Separate Your Personal and Business Accounts and Credit Cards**

You'll also want to have separate accounts for your personal and business-related matters. It's not a good idea to pay your personal expenses and your business expenses from the same account. It makes it difficult to separate your expenses for accounting purposes. It also makes it easier for the IRS to challenge your expenses and possibly disallow them when you file a return.

Just as a 'business-only' checking account is a good idea, having a business-only credit card is a good idea, too.

### **Mileage Log**

Keeping a log-book or record of your business-related travel is imperative to be sure your claim of mileage is acceptable to the IRS. If you don't like keeping a paper log-book, there are many simple apps available online you can download to your smart-phone that do the same thing.

### **Have a Business Plan and . . . Use It!**

Your business is a vehicle that, if it operates well, can carry you off to a nice retirement, fund the cost of college for your kids and allow you to enjoy a better-than-average lifestyle. But only . . . if it's running well enough to do all that!

And that . . . is precisely why you'll want to have a business plan — to make sure your business is running well.

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## Year End Planning for Direct Store Distributors (cont.)

Here's a simple process you can follow to create a plan for your direct sales distributor business:

**Assess your business situation . . .** [to see what factors may be limiting your growth.](#)

**Set goals . . .** [to address your limiting factors.](#) Let's say you discover that you may be missing out on a route because you don't have a second truck or a driver. Well, getting that truck or driver may be a good goal to set – and achieve. See how this works?

**Create action plans . . .** [to help you achieve your goals.](#) Break your goal down into smaller steps or actions that must be taken to achieve your goal. And be sure you set a deadline to get it done. For example, you might want to determine the cost of buying or leasing a second truck and hiring a driver for it. You'll probably want to estimate what kind of income that second route will generate for you. Finally, you'd want to make a 'go / no go' decision on the extra route. Go for it if it's profitable to do so or 'park' the idea until your situation changes sufficiently and it looks profitable to buy it.

**Evaluate your progress . . .** [periodically, on each of your goals.](#) No matter what actions you choose, you must be sure that someone (you?) has been assigned responsibility to get it done and by a specific date. With all this done, you have the means – your plan – for managing that things are happening in a timely manner for you and your business.

### Tax Preparation Planning

If you're an employee, your tax preparation and planning is relatively simple. Relatively, that is to a business owner – like you likely are now (or, soon will be!).

If you haven't already, you'll discover that operating a business creates a whole different set of expectations – and opportunities – for you.

Knowing how to meet your expectations and find your opportunities is what an experienced accountant can help you accomplish. If you don't have one now, find one. If you have one but you're not getting timely and money-making advice . . . find a better one!

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Serving the Direct Sales Distributor Community Since 1985

**Call Us . . . Anytime!**

If we can help you in  
any way, we will.

If we can't, we'll find  
someone who will.

We value your business  
and are your partners for life!

# HOW TO INCORPORATE YOUR BUSINESS

## SIMPLY, EASILY AND (VERY!) AFFORDABLY!

With Help From



### DSD Insurance

Serving the Independent Distributor  
Direct Store Community Since 1985

A Shubert & Associates LLC Company

#### Do you need to be INCORPORATED . . .

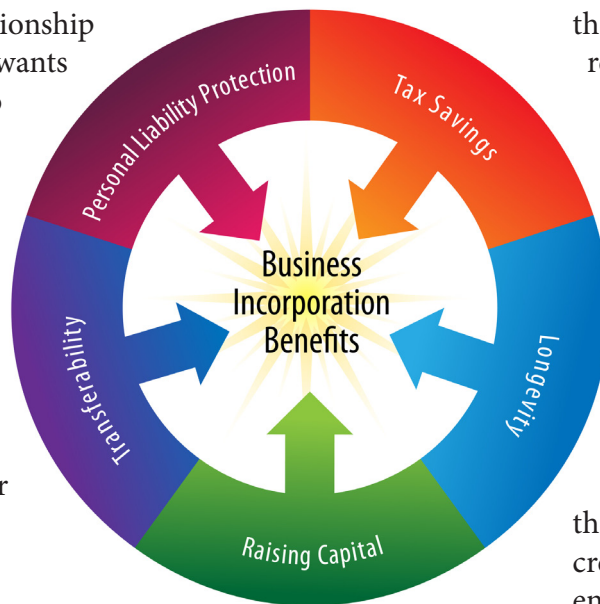
to maintain your business relationship with another corporation that wants you to deliver their products to local retailers in your area?

Increasingly, being a legally incorporated entity is a requirement to work with a corporate entity such as a major bakery.

#### Here's the PROBLEM . . .

Forming a corporation for your business can be:

- Time Consuming
- Confusing
- Frustrating
- Costly



#### DSD Insurance UNDERSTANDS . . .

the need for you to be incorporated as a requirement to qualify to be hired by a corporate entity such as Flowers Foods.

Incorporation is a 'necessary but frustrating' exercise for many direct sales distributors.

Your future employment depends on your ability to show evidence of being incorporated.

Fortunately, DSD Insurance reduces the burden of navigating the hurdles to creating (and, maintaining!) a legal entity -- a corporation -- you can use.

Once you incorporate your business, other corporations can legally and easily engage you to do work for them.

DSD Insurance, has been serving the insurance needs of direct sales distributors for over 30 years. In 2016, due to government legislation, we are responding to the need to incorporate your direct sales distributor business.

We make it so easy . . . to avoid the hassles, the mistakes and the excessive costs you may end up paying if you're NOT working with DSD Insurance -- a *specialist* at serving your unique insurance and incorporation needs. Our experienced Account Managers are ready to help you get this done . . . Call Us TODAY!

**CALL DSD INSURANCE . . . TODAY . . . 866-621-1770**

Or, Visit Us At:

**[WWW.DSDINSURANCE.COM/INC](http://WWW.DSDINSURANCE.COM/INC)**