

# Cover Notes

*December 2020 & January 2021*

*San Francisco Insurance Professionals*

*Affiliated with the International Association of Insurance Professionals*



## *President's Message*

Hello Everyone:

I hope everyone enjoyed the holidays & are gearing up to ring in the New Year. Hopefully 2021 will be an improvement from 2020. Like everyone I'm looking forward to getting back to the new 'Normal'.

This month we hosted our first ever virtual holiday party. We had quite a few members from different states, Hawaii, Colorado & of course California. Thank you everyone for attending! We had a great time & played some games thanks to Jenny Schaeffler & Annette Ing-Firmeza. We also conducted a cookie recipe exchange at the party. Cass is working on compiling the recipes & we will send them out shortly. I'm excited to see the cookie recipes. This month we were able to donate to two local charities & help those in need. The two charities were suggested to us by Jenny Chea-Vaing. We donated to the following:

Love A Child Homeless Shelter [www.loveachildmissions.org](http://www.loveachildmissions.org)

The Martin C. Kauffman 100 Club of Alameda County. [www.100clubalamedacounty.org/Donate](http://www.100clubalamedacounty.org/Donate).

We are still interested in hosting a virtual class in the near future. If you have any ideas for a topic or would like to teach a class please let me know.

Happy New Year Everyone! Take care & stay safe everyone.

Sincerely,

*Marie Meadows*

*SFIP 2020-2021*

*President*



*SFIP Virtual Holiday Party 2020*

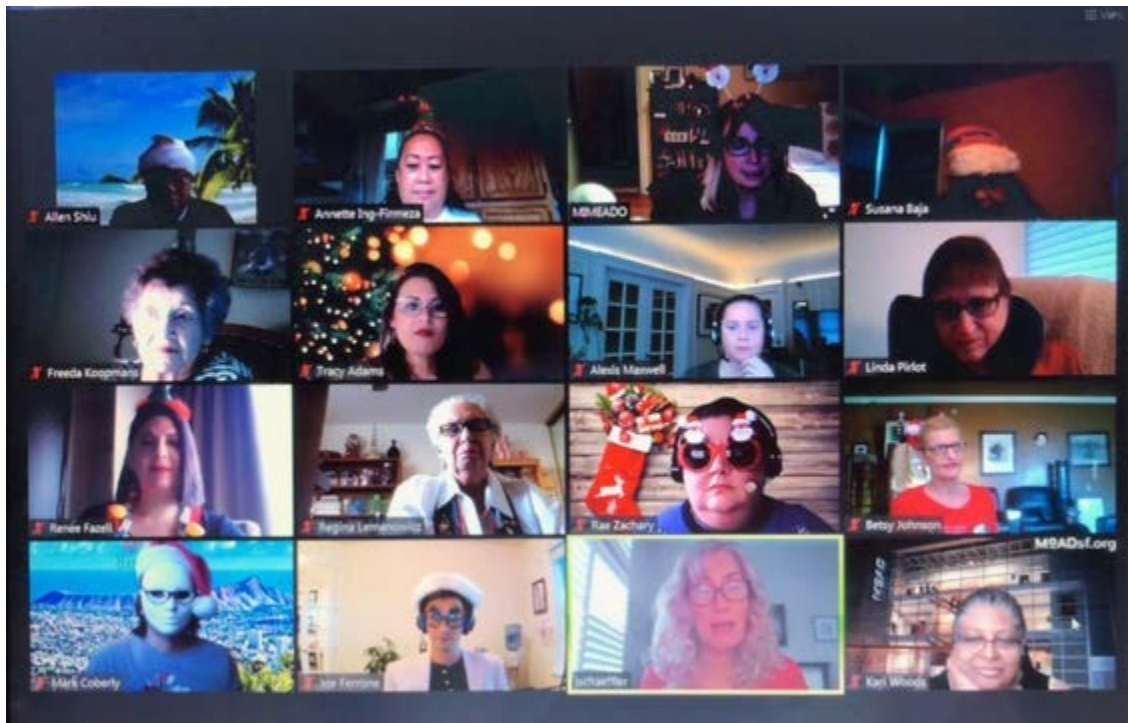
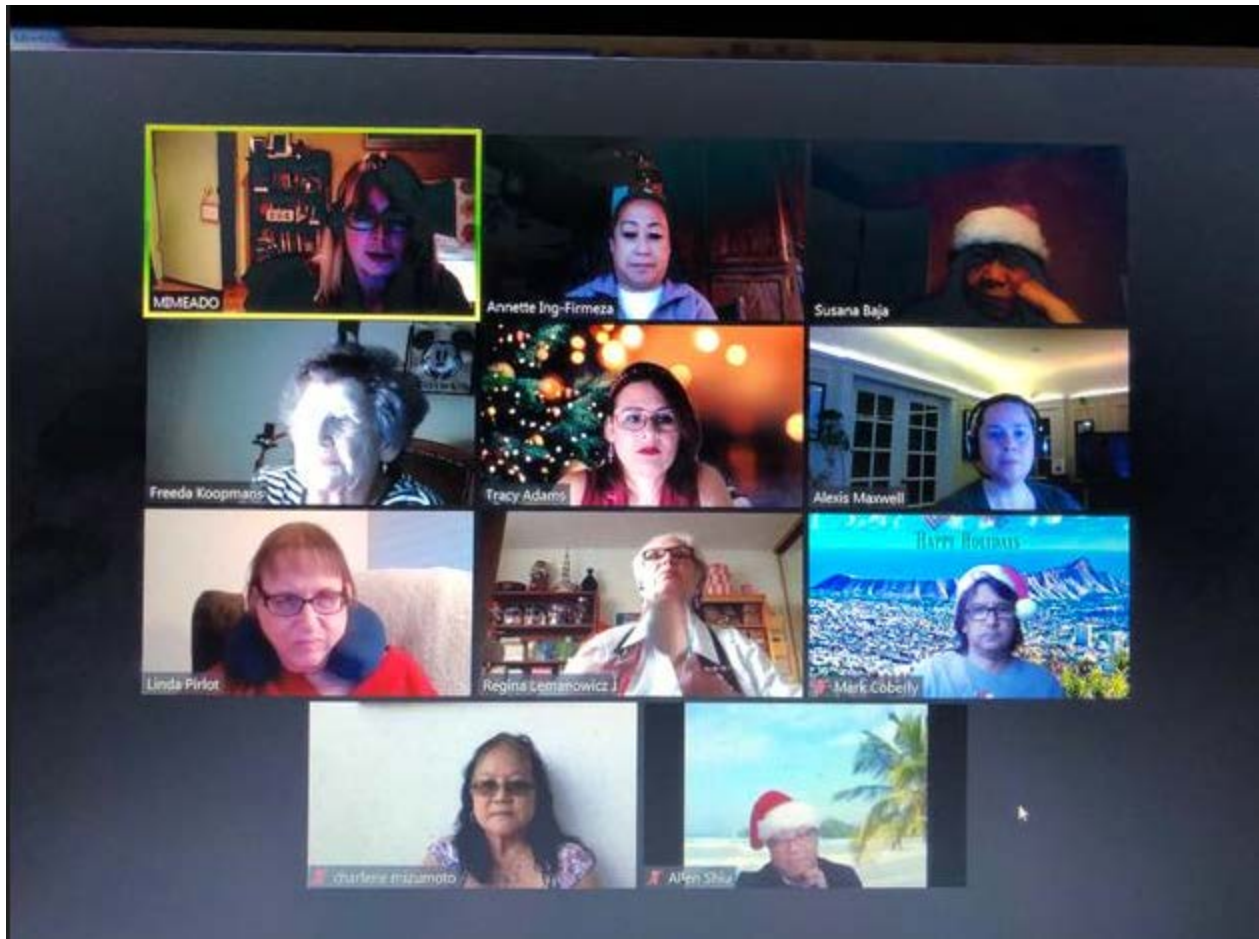
*We had a great time introducing ourselves, fellowship & playing games. The game winners were:*

*Game 1 Bingo Freeda Koopmans won a \$25 gift card from Sedgwick*

*Game 2 Holiday Movie Trivia – Regina Lemanowicz had 8 correct answers & won a \$25 gift card from SFIP. The game was challenging but with Regina’s superior trivia memory she beat the rest of the players.*

*Game 3 Bingo – Tracy Adams won a \$25 gift card from The Hartford.*

*Thank you Sedgwick & Hartford for donating the gift cards & thank you everyone for joining us!*





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Insurance Professionals

## Calendar of Events

**Due to the current situation we have rescheduled several events. We hope to be able to reschedule them soon.**

**Dec .**

1<sup>th</sup> – Virtual Board Meeting - All members are welcome to attend and see how the business of the association is conducted, just let Marie Meadows (mmeadows@intactinsurance.com) know that you will be attending so you can be added to the guest list.

**December 16<sup>th</sup> Virtual Holiday party**

**Jan.**

5<sup>th</sup> - Virtual Board Meeting - All members are welcome to attend and see how the business of the association is conducted, just let Marie Meadows (mmeadows@intactinsurance.com) know that you will be attending so you can be added to the guest list.

**Happy New Year! Bring on 2021.....**

**Feb.**

2<sup>nd</sup> - Virtual Board Meeting - All members are welcome to attend and see how the business of the association is conducted, just let Marie Meadows (mmeadows@intactinsurance.com) know that you will be attending so you can be added to the guest list.

**March**

2nd - Board Meeting at International Marine Underwriters, One Sansome Street, Suite 1550, SF - All members are welcome to attend and see how the business of the association is conducted, just let Marie Meadows (mmeadows@intactinsurance.com) know that you will be attending so you can be added to the guest list.

**Feb**

9th - Board Meeting at International Marine Underwriters, One Sansome Street, Suite 1550, SF - All members are welcome to attend and see how the business of the association is conducted, just let Marie Meadows (mmeadows@intactinsurance.com) know that you will be attending so you can be added to the guest list.

# President and Officers

**PRESIDENT  
 PRESIDENT-ELECT  
 VICE PRESIDENT  
 TREASURER  
 SECRETARY  
 DIRECTOR  
 DIRECTOR  
 DIRECTOR**

**MARIE MEADOWS  
 ALLEN SHIU  
 BEN POTTER  
 CASSANDRA YU  
 TINA KONG  
 ALEXIS MAXWELL  
 MARITZA PORTILLO  
 JENNY COLLINS (SCHAEFFLER)**

## 2020/21 COMMITTEES

	CHAIRPERSON	COMPANY AND EMAIL ADDRESS
ARCHIVE	BEN POTTER	INTACT INSURANCE <a href="mailto:BPOTTER@INTACTINSURANCE.COM">BPOTTER@INTACTINSURANCE.COM</a>
AUDIT	CASSANDRA YU	STARR <a href="mailto:CASSANDRA.YU@STARRCOMPANIES.COM">CASSANDRA.YU@STARRCOMPANIES.COM</a>
BUDGET & FINANCE	ANNETTE ING-FIRMEZA	AON <a href="mailto:ANNETTE.ING-FIRMEZA@AON.COM">ANNETTE.ING-FIRMEZA@AON.COM</a>
BY-LAWS & PARLIAMENT		<b>OPEN</b>
CONFIDENCE WHILE COMMUNICATING		<b>OPEN</b>
COMMUNITY SERVICE	JENNY CHEA-VAING	SINGLE POINT INSURANCE JCHEAVAING@SINGLEPOINTINS.COM
FUNDRAISING / SPECIAL EVENTS	ERIC BROWN ALLEN SHIU	CK SPECIALTY <a href="mailto:ALLEN.SHIU@CKSPECIALTY.COM">ALLEN.SHIU@CKSPECIALTY.COM</a>
EDUCATION/LEGISLATION		<b>OPEN</b>
EDUCATION ADVISORY (IEA SCHOLARSHIP)		<b>OPEN</b>
EMPLOYMENT	ANNETTE ING-FIRMEZA	AON <a href="mailto:ANNETTE.ING-FIRMEZA@AON.COM">ANNETTE.ING-FIRMEZA@AON.COM</a>
FELLOWSHIP	CASSANDRA YU	STARR <a href="mailto:CASSANDRA.YU@STARRCOMPANIES.COM">CASSANDRA.YU@STARRCOMPANIES.COM</a>
GOLF TOURNAMENT	MARIE MEADOWS ANNETTE ING-FIRMEZA	INTACT INSURANCE <a href="mailto:MMEADOWS@INTACTINSURANCE.COM">MMEADOWS@INTACTINSURANCE.COM</a> AON <a href="mailto:ANNETTE.ING-FIRMEZA@AON.COM">ANNETTE.ING-FIRMEZA@AON.COM</a>
MAY LUNCHEON	ALLEN SHIU	CK SPECIALTY <a href="mailto:ALLEN.SHIU@CKSPECIALTY.COM">ALLEN.SHIU@CKSPECIALTY.COM</a>
MEMBERSHIP	JENNY SCHAEFFLER	VERICLAIM <a href="mailto:JENNY.SCHAEFFLER@SEDGWICK.COM">JENNY.SCHAEFFLER@SEDGWICK.COM</a>
NEW HORIZON PLANNING	ANNETTE-ING-FIRMEZA PAST PRESIDENT	AON <a href="mailto:ANNETTE.ING-FIRMEZA@AON.COM">ANNETTE.ING-FIRMEZA@AON.COM</a>

<b>NOMINATING</b>	<b>BEN POTTER</b>	<b>INTACT INSURANCE</b> <b><a href="mailto:BPOTTER@INTACTINSURANCE.COM">BPOTTER@INTACTINSURANCE.COM</a></b>
<b>PROGRAM &amp; SPEAKERS</b>	<b>ALL BOARD MEMBERS</b>	
<b>RESERVATIONS</b>	<b>CASSANDRA YU</b>	<b>STARR</b> <b><a href="mailto:CASSANDRAYU@STARRCOMPANIES.COM">CASSANDRAYU@STARRCOMPANIES.COM</a></b>
<b>SAFETY PROGRAMS</b>	<b>ALLEN SHIU</b>	<b><a href="http://CKSPECIALTY.COM">CK SPECIALTY</a></b> <b><a href="mailto:ALLEN.SHIU@CKSPECIALTY.COM">ALLEN.SHIU@CKSPECIALTY.COM</a></b>
<b>TECHNOLOGY (WEBSITE &amp; COVER NOTES)</b>	<b>MARIE MEADOWS</b>	<b>INTACT INSURANCE</b> <b><a href="mailto:MMEADOWS@INTACTINSURANCE.COM">MMEADOWS@INTACTINSURANCE.COM</a></b>



## SAFETY TIPS – BY ALLEN SHIU

### Prevention Guidelines: You Can Prevent Carbon Monoxide Exposure

- **DO** have your heating system, water heater and any other gas, oil, or coal burning appliances serviced by a qualified technician every year.
- **DO** install a battery-operated CO detector in your home and check or replace the battery when you change the time on your clocks each spring and fall. If the detector sounds leave your home immediately and call 911.
- **DO** seek prompt medical attention if you suspect CO poisoning and are feeling dizzy, light-headed, or nauseous.
- **DON'T** use a generator, charcoal grill, camp stove, or other gasoline or charcoal-burning device inside your home, basement, or garage or near a window.
- **DON'T** run a car or truck inside a garage attached to your house, even if you leave the door open.
- **DON'T** burn anything in a stove or fireplace that isn't vented.
- **DON'T** heat your house with a gas oven.
- **DON'T** use a generator, pressure washer, or any gasoline-powered engine less than 20 feet from any window, door, or vent. Use an extension cord that is **more than 20 feet long** to keep the generator at a safe distance.

## DO YOU KNOW? BY ANNETTE ING-FIRMEZA

### 11 Surprising Things That Are Taxable

If you picked up any of the income or property on our list, make sure you declare it on your next tax return

by: Sandra Block, Kiplinger E-Newsletter

December 3, 2020

If you work for a living, you know that your wages are taxable, and you're probably aware that some investment income is taxed, too. But, unfortunately, the IRS doesn't stop there.

If you've picked up some extra cash through luck, skill or even criminal activities, there's a good chance you owe taxes on that money as well. To avoid being caught off guard when it's time to file your return, take a look at our list of **11 surprising things that are actually taxable**. If you collected any of the income or property on the list, make sure you declare it on your next tax return!

**Scholarships:** If you receive a scholarship to cover tuition, fees and books, you don't have to pay taxes on the money. But if your scholarship also covers room and board, travel and other expenses, that portion of the award is taxable.

Students who receive financial aid in exchange for work, such as serving as a teaching or research assistant, must also pay tax on that money, even if they use the proceeds to pay tuition.

**Gambling Winnings:** What happens in Vegas doesn't necessarily stay in Vegas. Gambling income includes (but isn't limited to) winnings from lotteries, horse races, casinos and sports betting (including fantasy sports). The payer is required to issue you a Form W2-G (which will also be reported to the IRS) if you win \$1,200 or more from bingo or slot machines, \$1,500 or more from keno, more than \$5,000 from a poker tournament, or \$600 or more from other wagers if your take is more than 300 times the amount of your bet. But even if you don't receive a W2-G, the IRS expects you to report your gambling proceeds on your tax return.

The good news: If you itemize, your gambling losses are deductible, but only to the extent of the winnings you report as income. For example, if you won \$4,000 last year and had \$5,000 in losing bets, your deduction for the losses is limited to \$4,000. You can't deduct the balance against other income or carry it forward.

Your state may want a piece of the action, too. Your home state will generally tax all your income ([if it has an income tax](#))—including gambling winnings. But also watch out for a tax bill if you place a winning bet in another state. You won't be taxed twice, though. The state where you live should give you a tax credit for the taxes you pay to the other state. Also, check to see if your state allows a deduction for gambling losses.

**Unemployment Benefits:** Millions of Americans filed for unemployment benefits in 2020, many for the first time, and many received expanded benefits of up to \$600 per week through July. While these benefits provide an important lifeline during tough times, they could also produce an unexpected tax bill.

Unemployment benefits are a form of income, and that income is taxable at the federal and, in some cases, the state level, too. (State treatment varies, so check out our [State-by-State Guide to Taxes on Unemployment Benefits](#) to see what your state does.) According to the IRS, unemployment compensation, for the most part, includes any amounts received under federal or state unemployment compensation laws, including state unemployment insurance benefits and benefits paid to you by a state or the District of Columbia from the Federal Unemployment Trust Fund.

You have the option to have as much as 10% of your weekly benefits withheld for federal taxes. Taxpayers will receive a Form 1099-G from the IRS, which shows the amount received and the amount of any federal income tax removed from your benefits. **Taxes may be withheld from unemployment benefits at the request of the benefits claimant by using Form W-4V**, while others who choose not to have their taxes withheld may need to make estimated tax payments during the year.

**Cancelled Debt:** Don't get too excited if a credit card company says you don't have to pay off the rest of your balance. That's because debt that is cancelled or otherwise discharged for less than the amount you owe is generally treated as taxable income. This applies to credit card bills, car loans, mortgages, or any other debt that you owe. So, for example, if your bank says you don't have to pay \$2,000 of the \$6,000 you still owe on a car loan, you have \$2,000 of cancellation of debt income that you must report on your next tax return.

There are some exceptions to the general rule, such as for certain student loans, debts discharged in bankruptcy, qualified farm indebtedness and a few other types of debt. Also, in the case of "nonrecourse" debt—i.e., where the lender can repossess any collateral property if you fail to pay, but you're not personally liable for the unpaid debt—any cancelled debt is not considered taxable income (although you might realize gain or loss from the repossession). If you do have a debt forgiven, the creditor may send you a Form 1099-C showing the amount of cancelled debt. The IRS will get a copy of the form, too—so don't think Uncle Sam won't know about it.

**Stolen Property:** If you robbed a bank, embezzled money or staged an art heist last year, the IRS expects you to pay taxes on the proceeds. **"Income from illegal activities, such as money from dealing illegal drugs, must be included in your income,"** the IRS says. Bribes are also taxable.

In reality, few criminals report their ill-gotten gains on their tax returns. But if you're caught, the feds can add tax evasion to the list of charges against you. That's what happened to notorious gangster Al Capone, who served 11 years for tax evasion. Capone never filed a tax return, the IRS says.

**Buried Treasure:** In September 2020, a man found a 9-carat diamond in the Crater of Diamonds State Park in Pike County, Arkansas. It was the second-largest diamond ever found in the park and could be worth more than \$1 million. But be aware that if you find a diamond in the rough, unearth a cache of gold coins in your backyard or discover sunken treasure while deep-sea diving, the IRS wants a piece of your booty. **Found property is taxable at its fair market value in the first year it's your undisputed possession,** the IRS says.

The precedent for the IRS's "treasure trove" rule dates back to 1964, when a couple discovered \$4,467 in a used piano they had purchased for \$15. The IRS said the couple owed income taxes on the money, and a U.S. District Court agreed.

**Gifts from your Employer:** Ordinarily, gifts aren't taxable, even if they're worth a lot of money. But if your employer gives you a new set of golf clubs to recognize a job well done (or to persuade you to reject a job offer from a competitor), you'll probably owe taxes on the value of your new irons.

More than 50 years ago, the Supreme Court ruled that a gift from an employer can be excluded from the employee's income if it was made out of "detached and disinterested generosity." Gifts that reward an employee for his or her services don't meet that standard, the court said. Gifts that help promote the company don't meet that standard, either.

**Bitcoin:** While you can use bitcoin to purchase a variety of goods and services, the IRS considers bitcoin—along with other cryptocurrencies—to be an asset. If the bitcoin you used to make a purchase is worth more than you paid for it, you're expected to pay taxes on your profits at capital gains rates—just like stocks and bonds.

Also be warned that, as the use of cryptocurrency increases, the IRS is starting to pay more attention to it. For instance, since 2019, the tax agency has been sending letters to people who may not have reported transactions in virtual

currencies. Plus, the 2020 Form 1040 includes a line asking taxpayers if they received, sold, sent, exchanged or otherwise acquired any financial interest in any virtual currency during the tax year.

If your employer pays you in bitcoin or some other virtual currency, it must be reported on your W-2 form, and you must include the fair market value of the currency in your income. It's also subject to federal income tax withholding and payroll taxes.

**Bartering:** When you exchange property or services in lieu of cash, the fair market value of the goods and services are fully taxable and must be included as income on Form 1040 for both parties. But an informal exchange of similar services on a noncommercial basis, such as carpooling, is not taxable.

If you exchanged property or services through a barter exchange, you should expect to receive a Form 1099-B (or a similar statement) in the mail. It will show the value of cash, property, services, credits or scrip you received from bartering.

**Payment for Donated Eggs:** Every year, thousands of young, healthy women donate their eggs to infertile couples. Payments for this service generally range from \$6,500 to \$30,000, according to Egg Donation, Inc., a company that matches donors with couples. Those payments are taxable income, according to the U.S. Tax Court. Fertility clinics typically send donors and the IRS a Form 1099 documenting the payment.

**The Nobel Prize:** If you were selected for this prestigious honor—worth more than \$980,000 in 2020—you must pay taxes on it.

Other awards that recognize your accomplishments, such as the Pulitzer Prize for journalists, are also taxable. The only way to avoid a tax hit is to direct the money to a tax-exempt charity before receiving it. That's what President Obama did when he was awarded the Nobel Peace Prize in 2009. If you accept the money and then give it to charity, you probably will have to pay taxes on some of it because the IRS ordinarily limits charitable deductions to 60% of your adjusted gross income (in 2020, under a provision in the CARES Act, you can deduct donations of up to 100% of your AGI to charity).

## ***SFIP Scholarship Program coming soon!***

*The SFIP Chapter will soon be offering scholarship funding to those in the insurance industry and who want to enhance their knowledge with related classes and/or attain an insurance or leadership designation. More to follow in the next few weeks!*

***Stay tuned for details....***



