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Stricter New Overtime Rules in 2016

(The C&A Advantage) Stricter new overtime rules will likely begin in 2016 and will affect many professional practices. On June 30, 2015, the Department of Labor issued a new proposal that would amend the federal Fair Labor Standards Act (FLSA) to make overtime pay more broadly available. Currently, workers who are paid hourly, regardless of their hourly rate, are guaranteed the right to overtime pay (i.e., time-and-a-half for hours worked each week over 40). That will continue under the new rules.

It's a little more complicated for salaried workers. Currently, they are automatically guaranteed overtime pay if they earn less than $23,660 per year. But they are exempt from overtime pay if they earn above $23,660 and are engaged in a management or professional position. Management and professional positions are broadly defined and include office managers and hygienists. So, if these employees are earning, say, $40,000 per year, they are not entitled to overtime if they work more than 40 hours per week.

Starting in 2016, the DOL is proposing to raise the salary threshold to $50,440 per year and index it for inflation. This will cause roughly 5 million more employees to become eligible for overtime pay – and will cause employers to become more vigilant about monitoring employee hours and the time clock.

Employers and congressmen will probably fight this proposal, arguing that it will have the opposite of its intended effect by ultimately reducing employee hours and raises. However, these efforts won't amount to much, and the new rules are expected to be implemented. PPG Partners will keep you updated with the new rules and strategies you can employ.

How Social Security Spousal Benefits Can Boost Your Tax Bill

(Time) Social Security benefits are taxable if they exceed certain levels, and this applies to spousal and other benefits as well as your own retirement benefits. The rules can be a bit tricky. If you file a joint tax return, and your "combined" income is less than $32,000, you will owe no federal income tax on your Social Security benefits. If it's between $32,000 and $44,000 a year, you will owe taxes on 50% of your benefits. Above $44,000, you would owe taxes on 85% of your benefits. Under current rules, you will never owe federal taxes on more than 85% of your benefits. These income brackets are not adjusted for inflation each year, so over time more and more people will owe taxes on their Social Security benefits. To determine your combined income as defined by Social Security, take your adjusted gross income (AGI) from your tax return, add any nontaxable interest you receive (from, say, a municipal bond), and then add half of your household's combined Social Security benefits.

Reminders: 3rd Quarter Estimated Tax Payments / ICD-10 Compliance

- Make your 3rd Quarter Estimated Tax payments by **September 15, 2015**. Mail your check(s) with the voucher(s) provided to you by your PPG Partners accountant.
- The ICD-10 Compliance Date is **October 1, 2015**. The transition to ICD-10 is required for everyone covered by the Health Insurance Portability Accountability Act (HIPAA). Note that the change to ICD-10 does not affect CPT coding for outpatient procedures and physician services.

Six Must-Follow Money Tips for Your College Student

(U.S. News) The fall semester is underway, and it's an exciting time for college freshmen. Many are navigating a new campus environment, social circles and how to live independently for the first time. College is also synonymous with young people assuming a greater responsibility for managing their own money – away from the reliable security of mom and dad's wallet.

Share these six easy tips with your college student(s) to help them make the grade when it comes to forming a strong foundation for money management.

1. Create a budget. This is incredibly important. List monthly income sources, including savings, wages and parental allowances, and then write down estimated expenses for the month. It isn't easy to identify college living expenses in advance, but you should try. Take costs such as school supplies, food outside your meal plan, personal care items and laundry into account. Then, try managing your budget and tracking expenses using an online personal finance management tool like Mint.com, which helps you easily create and stick to a budget.

2. Separate wants from needs. Is $30 per week for gas a "need" or a "want?" How much should you budget for non-meal plan food? How much will laundry cost? After a few months on campus and tracking expenses, it becomes easier to distinguish wants from needs and put a plan into action. Some students give themselves a weekly cash allowance rather than carry a debit card, and when that week's allowance is gone, they wait until next week for more "wants."

3. Set up a checking account. Banks usually cater to college students by offering free checking and saving accounts, which allows students to avoid fees on withdrawals or fund transfers. Shop around to find a bank with convenient ATMs near campus to eliminate out-of-network charges. And keep in mind that when an out-of-state check arrives (say, from grandma), it may take a few days to clear, so keep an eye on the account balance before spending against it.

4. Use, don't abuse, credit cards. In 2012, 70 percent of undergraduate students had at least one credit card, according to the International Journal of Business and Social Science. College is a great time to start building credit (which is crucial for leasing an apartment, purchasing a vehicle and even landing a job post-graduation), but it's easy for many to amass a large amount of debt while in school. It's important to understand the difference between credit building and overextending. If you don't know, visit a business professor during office hours and ask!

5. Do your homework on loans and financial aid. College graduates tend to have a difficult time balancing ever-growing student loan payments against declining wages. Understand what the exact size of your student loan debt will be upon graduation, and come up with a plan for how you will pay it back. Even if it involves moving back home for a bit (to preserve your sanity, give yourself a specific timeline for when you plan on moving out), it will be worth it in the end.

6. Shop smart for textbooks. Textbooks are one of the biggest college expenses – a brand new edition of a biology book can cost upward of $300. Bypassing the campus bookstore at the start of each semester is an easy way for college students to save an abundant amount of money. Invest in a Kindle or iPad and download your books – they are less expensive that way. Or look for books in used bookstores or online. Even with shipping costs, the price can turn out to be significantly cheaper.

The bottom line: College can be expensive, but learning the basics when it comes to money management now means you don't have to graduate with massive debt. Laying the groundwork for smart budgeting and spending habits in college enables your child to handle responsibility and learn the value of accountability – lessons that are just as important as knowing microeconomic theory.