



Scott White
ADVISORS

20 years

An Independent Registered Investment Advisor

SUMMER 2021

The Navigator

MANAGING WEALTH. SERVING GENERATIONS.

Summer Travel Tips Post-COVID

by A. Scott White, CFP®, ChFC®, CLU®
President, Scott White Advisors

Summer is upon us, but are we ready to resume our summer travel traditions? Experts have suggested that though many Americans are planning and booking travel, it still looks a little different than our pre-pandemic vacations.

Summer Planning

Because of discrepancies of COVID protocols from state to state, it is still advisable to plan ahead of time. Many Americans have also enlisted the help of travel advisors¹ with everything from health and safety regulations, testing centers, flight bookings, rebookings, and reservations to travel safely, and know what to expect on their vacation. Another aspect that travel advisors and agents help with is travel assurances to protect their plans. Although trip insurance is required for some locations, travelers want protection¹ that COVID-19 or cancellations won't result in total loss.



International Travel

With a standard 10-12 week time frame for passports² and some of the world still not allowing Americans to visit, many travelers are continuing to explore more of our own country versus wandering to other countries this year. However, if you have planned or rebooked a trip to Egypt, Mexico or elsewhere, check with local authorities on regulations. Many countries are removing quarantines and restrictions with proof of vaccination or negative COVID test via digital vaccine passports. Only certain vaccines may be valid, as the European Medicines Agency currently only validates BioNTech-Pfizer, Moderna, AstraZeneca and Janssen Pharmaceutica NV, according to Stephanos Chaillou³, A2 Global Risk analyst. Be prepared to show a negative coronavirus test result before returning home to the United States as well.

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Remembering Flor, the Retired Guide Dog

Two years ago Flor, a Labrador retriever, retired as a guide dog after serving as a companion to Adriana's brother, Miguel Moreno of Colombia. Adriana went to Colombia and made the complicated arrangements to transport Flor to the U.S.

Flor joined Adriana, Scott, two dogs and a cat in her new home in Fort Myers, and enjoyed the comforts of being a pet. Recently Flor passed away. "We were happy to give Flor a loving home after all her years of service to Miguel. She loved all the petting and affection we gave her," Adriana said. "She was a wonderful dog and we will miss her," Scott said.

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White Family Vacation Photos



While on vacation Adriana, Scott, Ellie and Jonathan were able to visit Grady Goodwin. Grady, 98 years old, was the White family's neighbor for many years.



Scott and Adriana took in a Tampa Bay Rays baseball game.

What Is Bitcoin—and Should You Use It?

by A. Scott White, CFP®, ChFC®, CLU®
President, Scott White Advisors

Have you heard of Bitcoin? It's a form of cryptocurrency: digital money that allows for peer-to-peer transactions on the internet via a digital representation of value that isn't backed by any government or central bank. While services like Venmo and PayPal rely on the traditional financial system to transfer money, Bitcoin allows any two people, anywhere in the world, to send Bitcoin to each other without the involvement of a bank, government, or other institution.

Every transaction involving Bitcoin is tracked on the Blockchain¹, a log of customers' funds going in and out. The Bitcoin Blockchain is distributed across the entire network and anyone can become part of the network—no third party is in control of it. According to Experian, purchasing Bitcoin isn't free of risk².

While Bitcoin has skyrocketed as much as 350% in the past year to record highs, Warren Buffett has said Bitcoin and other cryptocurrencies are risky and worthless.³ "I can say almost with certainty that they will come to a bad ending," the billionaire investor and Berkshire Hathaway CEO said. AARP says that cryptocurrency fraud is on the rise. Be aware of risk and fraud potential, and follow these AARP guidelines:⁴

- Don't put money in a virtual currency investment if you don't really understand how it works.
- Don't speculate in cryptocurrencies with money that you can't afford to lose.
- Don't buy virtual currencies based on anonymous tips that you picked up from chat rooms or social media.
- Don't put money into an individual retirement account advertised as "IRS approved" or "IRA approved." Some self-directed IRAs do allow investment in virtual currencies, but the Internal Revenue Service does not approve or review IRA investments.
- Don't share your "private keys"—the long letter-and-number codes that enable you to access your virtual currency—with anyone. Keep them in a secure place.

Even if you're not being scammed, the virtual currency trade is speculative and volatile. As the Federal Trade Commission notes, "An investment that may be worth thousands of dollars on Tuesday could only be worth hundreds on Wednesday."⁴

¹<https://www.investopedia.com/terms/b/blockchain.asp>

²<https://www.experian.com/blogs/ask-experian/bitcoin-and-cryptocurrencies-are-they-safe/>

³<https://markets.businessinsider.com/currencies/news/warren-buffett-best-quotes-bitcoin-cryptocurrencies-investing-rat-poison-squared-2021-1-1029974898>

⁴<https://www.aarp.org/money/scams-fraud/info-2019/cryptocurrency.html>

Making Philanthropy Easy: Increasing the Efficiency and Impact of Your Generosity

by A. Scott White, CFP®, ChFC®, CLU®
President, Scott White Advisors

When I discuss financial goals with clients, philanthropy often arises as a vital component of the legacy they will leave behind. Charitable giving can play an important role in many estate plans. Philanthropy can give you great personal satisfaction, and it can also give you a current income tax deduction, let you avoid capital gains tax, and reduce the amount of taxes your estate may owe when you die. Depending on my clients' unique situations, I may recommend the following giving vehicles.



Charitable Gift Annuities

A charitable gift annuity is a contract between a donor and a charity with the following terms: As a donor, you make a sizable gift to charity using cash, securities or other assets. In return, you become eligible to take a partial tax deduction for your donation, plus you receive a fixed stream of income from the charity for the rest of your life. Your annuity can be funded with cash donations, but potentially also securities and gifts of personal property. A second tax benefit may come by donating long-term appreciated stock or other property. By donating non-cash assets directly, it is possible to reduce or eliminate the capital gains tax you'd ultimately pay if you sold them first and then donated the proceeds. You must pay income tax on the income stream from the annuity each year.

Pooled Income Funds

A pooled income fund is a type of charitable trust established and maintained by a qualified nonprofit organization, and gets its name from the fact that donors' resources are pooled for investing purposes. A pooled income fund allows you to do three things: ensure a perpetual income, claim a current tax deduction, and make a future gift to charity. The fund invests the contributions to provide dividends for the fund donors and allows income from the fund to be distributed to both the fund's donors and named beneficiaries, according to their share of the fund. Contributors receive income distributions during their lifetimes and after they have passed, the fund distributes the remaining assets to the designated charity or charities.

Donor-Advised Funds

Donor-advised funds are the fastest-growing charitable giving vehicle in the U.S. because they are one of the easiest and most tax-advantageous ways to give to charity. Functioning like a charitable investment account, for the sole purpose of supporting charitable organizations you care about, donor-advised funds are established at a public charity. When you contribute cash, securities or other assets, you are generally eligible to take an immediate tax deduction. Then those funds can be invested for tax-free growth and you can recommend grants to virtually any IRS-qualified public charity. If you donate cash, via check or wire transfer, you're generally eligible for an income tax deduction of up to 60 percent of your adjusted gross income. You can incorporate your donor-advised fund into estate planning by making a bequest in your will to the donor-advised fund sponsor or by making the sponsor a beneficiary of a retirement plan, life insurance policy or charitable trust. By leaving instructions with the donor-advised fund sponsor, you can support multiple charities with one bequest. These gifts can also help reduce or eliminate the burden of estate tax for your heirs.

Qualified Charitable Distributions

QCDs are a direct transfer of funds from your IRA custodian, payable to a qualified charity, and they can be counted toward satisfying your required minimum distributions (RMDs) for the year as long as certain rules are met. In addition to the benefits of giving to charity, a QCD excludes the amount donated from taxable income, which is unlike regular withdrawals from an IRA. While many IRAs are eligible for QCDs, you must be 70½ or older to be eligible to make a QCD, and it is limited to the amount that would otherwise be taxed as ordinary income. The maximum annual amount that can qualify for a QCD is \$100,000. This applies to the sum of QCDs made to one or more charities in a calendar year. (If, however, you file taxes jointly, your spouse can also make a QCD from his or her own IRA within the same tax year for up to \$100,000.) Also, QCDs don't require that you itemize, which due to the recent tax law changes means you may decide to take advantage of the higher standard deduction, but still use a QCD for charitable giving.

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Summer Travel Tips Post-COVID *continued from page 1*

Travel in the U.S.

Be prepared for more vacationer influx here in Florida, whether it be via plane, train or automobile. Although the gas pipeline issues of recent months and the low supply of rental cars¹ will deter some road trips, Orlando is Priceline's top-booked and top-searched destination for 2021 summer travel according to a recent article⁴ in *Conde Nast Traveler*.

If 2020 taught us anything, it was to prepare for things that we cannot even imagine. Regardless of your decision of where, when and how to travel this summer, remember to:

- Research and adhere to local ordinances or mandates
- Protect your travel investment with insurance
- Be prepared to pay more than in years past
- Plan early

¹<https://www.travelpulse.com/gallery/features/10-trends-that-will-define-the-2021-summer-travel-season.html>

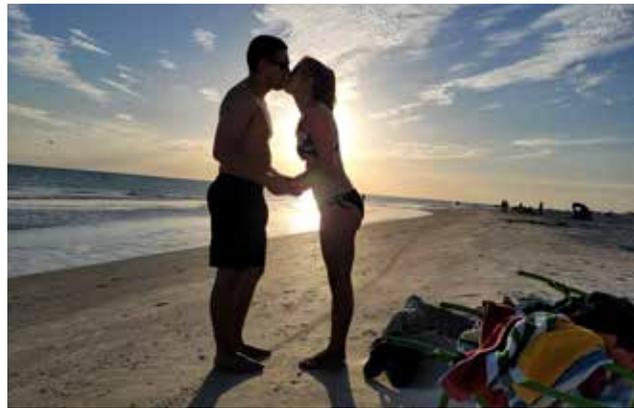
²<https://travel.state.gov/content/travel/en/traveladvisories/ea/passport-covid-19.html>

³https://www.washingtonpost.com/lifestyle/travel/summer-travel-2021-what-to-expect/2021/04/21/45b73092-96da-11eb-b28d-bfa7bb5cb2a5_story.html

⁴<https://www.cntraveler.com/story/the-most-popular-summer-travel-destinations-this-year-according-to-flight-data>



Scott enjoyed fishing.



Jonathan and his fiancée, Ellen, on the beach.

Making Philanthropy Easy *continued from page 3*

When it comes to the philanthropic causes they support, my clients follow their passion. There are many ways to give to charity, and each client's estate plan is unique. It's never too early to consider your legacy. The surest way to provide for the financial and emotional well-being of your heirs and beneficiaries is through comprehensive planning. Let me know how I can help you make choices that increase the efficiency and impact of your generosity.

A handwritten signature in black ink that reads "Scott White".

Investing involves risk and you may incur a profit or loss regardless of strategy selected, including diversification and asset allocation. Past performance may not be indicative of future results. Keep in mind that individuals cannot invest directly in any index. The S&P 500 is an unmanaged index of 500 widely held stocks that is generally considered representative of the U.S. stock market.

Please note, changes in tax laws may occur at any time and could have a substantial impact upon each person's situation. While we are familiar with the tax provisions of the issues presented herein, as Financial Advisors of RJFS, we are not qualified to render advice on tax or legal matters. You should discuss tax or legal matters with the appropriate professional.

Prior to making an investment decision, please consult with your financial advisor about your individual situation. The prominent underlying risk of using Bitcoin as a medium of exchange is that it is not authorized or regulated by any central bank. Bitcoin issuers are not registered with the SEC, and the Bitcoin marketplace is currently unregulated. Bitcoin and other cryptocurrencies are a very speculative investment and involves a high degree of risk. Investors must have the financial ability, sophistication/experience and willingness to bear the risks of an investment, and a potential total loss of their investment.

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