EYE ON MONEY

SEP OCT 2019

SAVING FOR EDUCATION WITH A 529 PLAN

A TAX-SMART WAY TO SAVE FOR YOUR CHILD'S FUTURE

plus

BUSINESS RETIREMENT PLANS | WHAT TO DO FINANCIALLY BEFORE AND AFTER A DISASTER STRIKES | 5 THINGS TO KNOW BEFORE BEGINNING SOCIAL SECURITY | 5 THINGS ABOUT ETFs

ESTATE PLANNING

THREE BENEFITS OF A REVOCABLE LIVING TRUST

A revocable living trust is a legal arrangement that you can have set up to direct how the assets you put in the trust are to be managed during your lifetime and distributed after your death. With a revocable living trust, you can:

1 **Avoid probate on the assets in the trust.** A revocable living trust does not go through probate so, in some cases, your assets may pass to your heirs faster and at a lower cost than if they were transferred by a will.

2 **Keep the details of your estate private.** Unlike a will, which becomes a matter of public record during probate, the details of a revocable living trust generally remain private.

3 **Transfer management of the trust assets during your lifetime.** If you become incapacitated, the person you name as your successor trustee can quickly step in and manage the trust assets on your behalf. ■

Please consult your financial and legal advisors for advice on planning your estate.

inside

IS IT
TAX DEDUCTIBLE?

Determining which expenses are tax deductible can be tricky. See if you know which of the following expenses can be deducted on a 2019 federal tax return.

Donations to a qualified charity.
Yes. Donations of cash and other assets to qualified charities are generally deductible if you itemize deductions and keep proper records of your donations.

Donations to a specific individual.
No. Only donations to qualified organizations, such as charities, churches, and nonprofit schools, are deductible.

Charitable distributions from an IRA.
No, they are not deductible. However, for individuals age 70½ or older, qualified charitable distributions of up to $100,000 per year are tax-free and count toward the annual minimum distribution requirement for the IRA. The distribution must be made directly from the IRA to the charity.

Damage to your property.
Maybe. If the damage occurred in a presidentially-declared disaster and you itemize deductions, you can generally deduct the losses that are not reimbursed by insurance or other means.

Interest you pay on a mortgage.
Yes, if the mortgage is secured by your main home or second home, you can generally claim an itemized deduction for the interest on home loans up to $1 million ($500,000 if married filing separately). If the debt was incurred on or after December 15, 2017, the deduction is limited to the interest on loans up to $750,000 ($375,000 if married filing separately).

Interest on a home equity line of credit used to pay college tuition.
No. The interest on a home equity loan or line of credit can only be deducted if the loan is used to buy, build, or substantially improve the home that secures the loan.

Property taxes you pay.
Yes, you can generally deduct the property taxes you pay if you itemize deductions. But keep in mind that the deduction for state and local income, sales, and property taxes is limited to a total of $10,000 per year ($5,000 if married filing separately).

Alimony you pay.
Maybe. It depends on when your divorce or separation instrument was executed. If it was executed before 2019, the person paying the alimony can generally deduct it. If it was executed in 2019 or later, it is not deductible.

Child support you pay.
No. The amounts you pay for child support are not deductible.

Interest you pay on student loans.
Maybe. Your income must be under certain limits to deduct student loan interest.

Investment losses in a brokerage account.
Yes. If you sell an investment at a loss in a brokerage account, the loss can be used to reduce your taxable capital gains. And if your loss exceeds your gains, up to $3,000 of the excess loss ($1,500 if married filing separately) can be deducted from your ordinary income. (Losses in a retirement account, such as a 401(k) or an IRA, are generally not deductible.) ■

PLEASE CONSULT YOUR TAX ADVISOR FOR TAX PLANNING ADVICE.

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5 Things to Know About Exchange-Traded Funds (ETFs)

ETFs, which combine features of mutual funds and stocks, are designed to help investors meet a variety of investment needs. Here are five things to know about them. Your investment advisor can tell you more.

1. **ETFs are collections of stocks, bonds, or other assets in a single fund.** Similar to mutual funds, ETFs offer investors an easier way to diversify their investments than purchasing individual stocks and bonds. A single ETF may provide exposure to tens, hundreds, or even thousands of securities.

2. **ETFs trade on stock exchanges.** This means that you can buy or sell ETFs at any time during the trading day at market prices that fluctuate throughout the day. In contrast, mutual funds, which do not trade on exchanges, are priced at their net asset value once a day after the market closes. Trading on stock exchanges also means that you can use a variety of order types, such as limit orders, when buying or selling ETFs.

3. **ETFs provide access to a wide range of investments.** ETFs invest in many asset classes, including stocks, bonds, real estate, and other types of investments. Some ETFs encompass wide swaths of the market, such as the total U.S. stock market, while others narrow their focus to a segment of a market, such as a single sector or a specific investment style.

4. **Most ETFs track indexes.** Most ETFs are designed to closely track the performance of a specified index by holding all, or a representative sample, of the securities in the target index. For example, an ETF that tracks the S&P 500 index might invest in all the securities in the S&P 500 index in an effort to achieve the same return as the index, less expenses.

5. **Some ETFs are actively managed.** With an actively managed ETF, a fund manager chooses the investments that make up the fund, usually with the goal of outperforming a benchmark index. ■

PLEASE NOTE: You cannot invest directly in an index. An ETF's market price may be higher or lower than its net asset value. Before investing in ETFs or mutual funds, investors should consider a fund's investment objectives, risks, charges, and expenses. Contact your financial advisor for a prospectus containing this information. Please read it carefully before investing. Diversification does not ensure a profit or protect against loss in declining markets.

Please consult your financial advisor for help in developing and implementing an investment plan.

What to Do Financially Before and After a Disaster Strikes Your Home

BEFORE

- ☐ **Inventory your possessions.** You'll be glad you did if your home is ever damaged or destroyed. A home inventory can help expedite an insurance claim and substantiate a potential tax deduction for unreimbursed casualty losses.
- ☐ **Store important documents offsite.** This might include deeds, titles, birth and marriage certificates, divorce decrees, and a copy of your home inventory.
- ☐ **Pack a financial 'go bag'** that you can quickly grab if you need to leave home in a hurry. Include in it copies of your homeowners, auto, and flood insurance policies and the contact information for your insurance companies. You may also want to include some cash and the key for your safe deposit box.
- ☐ **Review your insurance policies** to make certain that you have enough coverage for your homes, possessions, and vehicles.
- ☐ **Consider purchasing flood insurance.** Homeowners insurance policies usually do not cover flood damage.
- ☐ **Still receiving paper checks? Sign up for direct deposit** so that your income continues to flow in even if you are unable to receive mail at your physical address due to a disaster.
- ☐ **Add the contact information** for your financial and legal advisors, financial institutions, insurance agents, doctors and dentists, and home repair people to your smart phone in case your address book and business cards from service providers are lost in the disaster.

AFTER

- ☐ **Take photos of the damage to your home** to document your insurance claim.
- ☐ **Report the damage to your insurer** who will generally supply you with the forms needed to file a claim.
- ☐ **Keep your receipts if you need to relocate.** You may be able to file an insurance claim for additional living expenses, such as hotel bills and restaurant meals.
- ☐ **Have the post office forward your mail to your new address** if you need to relocate. You may also want to update your address directly with your financial institutions and billers.
- ☐ **Stay up to date on your bills.** Even if your home is destroyed, your mortgage and other bills still need to paid. Failing to do so can damage your credit at a time when you may need credit to rebuild.

If your home is damaged or destroyed in a presidentially-declared disaster:

- ☐ **Apply for federal disaster assistance** online at www.disasterassistance.gov or on your mobile device at m.fema.gov. You can also contact FEMA by phone at (800) 621-FEMA.
- ☐ **Deduct unreimbursed casualty losses** on your tax return. ■

Saving for Education with a 529 Plan

Whether you are saving for grades K-12 or college, a 529 education savings plan can help you prepare to meet your loved ones' education expenses. Here are a few things to know about these popular savings plans. Your financial advisor can tell you more.

What are they? 529 education savings plans are state-sponsored savings plans with tax advantages that make it easier for families to save for all levels of education.

Tax-free earnings. The main advantage of a 529 plan is that investment earnings grow free from taxes while you save and can be withdrawn free from federal taxes, and perhaps state taxes also, if used for qualified education expenses, such as tuition. Because the investment earnings are not taxed while you save, you may build up savings faster in a 529 account than you would in a regular savings or investment account.

If withdrawals exceed the beneficiary's adjusted qualified expenses for the year, the earnings portion of the excess amount will be subject to income tax and generally a 10% tax penalty.

529 plan savings can be used at a wide range of schools. The money in a 529 plan can be used to pay qualified education expenses at elementary, secondary, and postsecondary schools.

The elementary or secondary school can be a public, private, or religious school.

The postsecondary school can be any accredited college, university, vocational school, or trade school nationwide—and even some schools abroad—that are eligible to participate in a student aid program run by the U.S. Department of Education.

Qualified education expenses. If the student is attending a postsecondary school, such as a college or a trade school, money can generally be withdrawn tax-free for tuition, fees, books, supplies, computers, Internet access, room and board (if enrolled at least half-time), and a few other types of expenses.

If the student is attending grades K-12, up to $10,000 per student per year can generally be withdrawn free from federal tax for tuition. In many states, withdrawals for K-12 tuition are also exempt from state tax. But please be aware that when the federal government expanded the definition of qualified education expenses in 2018 to include K-12 tuition, some states decided not to expand their definition. As a result, a withdrawal for K-12 tuition in some states may be subject to state income tax and may trigger the recapture of any state tax benefit you received previously for contributing to a 529 plan. So before you withdraw any money for K-12 tuition, it is a good idea to find out whether your state considers K-12 tuition a qualified education expense.

You can choose any state's plan. You can generally choose any state's 529 savings plan regardless of where you live or where the student will attend school. For example, you can choose Ohio's 529 savings plan even if you live in Oregon and the student will attend college in Massachusetts. The freedom to choose any state's plan gives you the ability to choose the one with the features that suit you best.

Should you check out your own state's plan? You bet, particularly if it offers state tax breaks and other perks available only to state residents.

Possible state tax credit or deduction. Some states offer either a state tax credit or deduction for contributions to a 529 plan as a way to encourage state residents to save for their children's college education. In most of those states, the credit or deduction can only be claimed for contributions to the state's own 529 plan, but a few states (such as Arizona, Kansas, Minnesota, Missouri, Montana, and Pennsylvania) offer a state tax break for contributions to any state's plan.

Please keep in mind that state tax breaks are just one factor to consider when choosing a 529 plan. Be sure to also compare the plan's investment options, fees, and features to other plans you may be considering.


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*** Why use a 529 plan to save for education?**

- The tax breaks may help your money stretch further.
- The money remains in your control—not the student's.
- Anyone can contribute—even high-income individuals.
- No annual contributions limits.
- A special gift tax feature.

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Saving may cost less than borrowing.

Think of an amount your child may need to attend college. If you save or invest for it, the potential returns on the money you contribute may add up over time so that you may not need to contribute as much money to reach your savings goal. If you borrow that amount instead, you will need to repay the full amount of the loan plus interest.

Any U.S. citizen or resident can open an account. And there are no income restrictions so even high-income individuals can open and contribute to a 529 account.

You can open an account for anyone. You can open a 529 account for your child, your grandchild, other relative, friend—anyone! You can also open an account for yourself to save for your own future education expenses.

The beneficiary of the account can be any age, from newborn on up.

And multiple 529 accounts can be opened for the same beneficiary. For example, even if your sister has already opened a 529 account for your nephew, you can still open your own account for him.

The person who opens the account, controls the account. While you can usually contribute to a 529 account that someone else has set up for the same beneficiary, opening your own account for the beneficiary has its advantages.

One advantage is control. The person who opens the account becomes the account owner and 1) controls how the account is invested, 2) decides on the timing and the amount of the withdrawals, 3) can change the beneficiary to another member of the beneficiary's family, and 4) can withdraw money for their own use. If you withdraw money for your own use, it will be considered a nonqualified distribution and you'll owe income tax and generally a 10% tax penalty on the earnings portion of your withdrawal. It's a steep price to pay, but if you run into financial trouble down the road and need the money for your own expenses, it's good to know that you have this option as the account owner.

Another advantage is potential state tax breaks. If your state offers a tax credit or deduction for 529 plan contributions, you may need to be the account owner to claim it.

The freedom to contribute large or small amounts. Unlike IRAs and retirement plans, 529 plans do not have annual contribution limits. Instead, each state sets its own maximum account balance. When the maximum balance is reached, no additional contributions can be made for that beneficiary.

Many states allow balances of $300,000 or more per beneficiary before cutting off contributions. A few states allow balances in excess of $500,000. With high balance limits such as these and no annual contribution limits, you have the option to contribute a very large amount all at once if you'd like.

You also have the option to contribute smaller amounts, such as $25 or $50, at a time. This may be an attractive option if you prefer to fund the account over time, perhaps through a payroll deduction plan or an automatic investment plan.

529 plans offer a unique gift tax opportunity. You can contribute up to five times the annual gift tax exclusion amount in one year without triggering the federal gift tax or reducing the amount that can be excluded from federal transfer taxes later on.

Here's how it works. Normally, you can give any number of people up to a certain amount each year without your gifts being subject to the federal gift tax. That amount is known as the annual gift tax exclusion, and it is $15,000 for 2019.

*

The earlier you begin to save, the more time your money has to potentially grow.

Starting to save while a child is still young maximizes the time that your investment earnings have to potentially compound, which can help build up your savings as your prior earnings generate earnings of their own. How early can you start saving? A 529 account can be opened as soon as the child is born.

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Professionally-managed investment portfolios.

When you invest for education with a 529 plan, your investment options will generally include a variety of investment portfolios that typically hold one or more funds. Depending on the 529 plan you choose, your options may include:

AGE-BASED PORTFOLIOS. These portfolios consider the beneficiary's age and automatically shift to more conservative investments as the beneficiary approaches college age.

STATIC PORTFOLIOS. Static portfolios maintain the same allocation over time. You can change how the money in your account is invested twice a year, enabling you to move to a more conservative portfolio when you are ready.

INDIVIDUAL PORTFOLIOS. Individual portfolios are typically single-fund portfolios that you can combine for a custom investment strategy. Like static portfolios, you control when you move to a more conservative combination of portfolios.

BANKING OPTIONS. Some 529 plans offer FDIC-insured banking options, such as savings accounts and CDs.

Asset allocation does not ensure a profit or protect against loss in declining markets.

Married couples can use both of their exclusions to give any number of people up to $30,000 per year.

With a 529 plan, you can contribute up to five times the annual exclusion amount in one year by electing to spread your gift across five years on your federal gift tax return. In other words, you may be able to contribute as much as $75,000 ($150,000 for married couples) to each beneficiary's 529 account in a single year. This enables you to put more money to work immediately, potentially generating tax-free earnings outside of your estate, than if you were to limit your 529 contributions to the annual exclusion amount in order to avoid gift tax repercussions. You must outlive the five-year period, or a portion of your gift will be included in your estate for estate tax purposes.

What if the beneficiary does not need the money in the 529 account? Life does not always go as planned. Your beneficiary may decide not to attend college or he or she may earn a scholarship and not need all of the money in the account. In situations such as these, you have options.

You can generally leave the money in the 529 account in case the beneficiary decides to go back to school later in life.

You can change the beneficiary on the account to a member of the beneficiary's family. For example, if there is still money in the account after the beneficiary graduates, the account owner can change the beneficiary to a sibling, first cousin, or other eligible relative of the former beneficiary so that the new beneficiary can use the remaining funds tax-free for their own qualified education expenses.

You may be able to roll the money over to an ABLE account for the beneficiary if he or she is disabled or for a disabled member of the beneficiary's family.

You can also withdraw the money and use it for purposes other than education. This will be considered a nonqualified distribution, and the earnings portion of the withdrawal will be subject to income tax and generally a 10% federal tax penalty. In certain situations, the penalty may be waived. For example, it may be waived if the beneficiary receives a tax-free scholarship, becomes disabled, or attends a U.S. military academy. ■

- ✔ Tax breaks
- ✔ Control over the account
- ✔ No income restrictions
- ✔ High account limits

If you want to help a loved one save for education, please ask your financial advisor whether a 529 plan is a good choice for you.

PLEASE NOTE: *All investing involves risk, including the possible loss of the amount you invest. For more complete information about a 529 education savings plan, including investment objectives, risks, fees, and expenses associated with it, please carefully read the issuer's official statement before investing. It can be obtained from your financial advisor. Some states offer state residents additional benefits, such as a state tax deduction for contributions to the plan, reduced or waived program fees, matching grants, and scholarships to state colleges. Any state-based benefit offered with respect to a particular 529 education savings plan should be one of many appropriately weighted factors to be considered in making an investment decision. You should consult with your financial, tax, or other advisor to learn more about how state-based benefits (including any limitations) would apply to your specific circumstances. You also may wish to contact your home state or any other 529 education savings plan to learn more about the features, benefits, and limitations of that state's 529 education savings plan.*


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Starting a Retirement Plan for Your Business

There is still time to set one up for this year!

If you are self-employed or own a business and do not have a retirement plan yet, you may want to consider setting one up. Here are a few reasons why.

Build wealth for your own retirement. You may be able to contribute considerably more money each year to a business retirement plan than you can to a personal IRA due to retirement plans' higher annual contribution limits.

Attract and retain better employees. Many job applicants and employees place a high value on access to an employer-sponsored retirement plan when considering whether to join or stay with a company.

Take advantage of tax breaks. Contributions that your business makes to your account and your employees' accounts are generally deductible as a business expense. And contributions that you make as an employee to your own account are generally made from pre-tax income, which reduces your current income taxes.

There is still time to set up a retirement plan and contribute to it for 2019 if you act soon. Please consult your financial advisor for advice on which type of plan may be best for you and your business. ■

With a tax-deferred retirement plan, earnings and pre-tax contributions will be subject to ordinary income tax when withdrawn. Withdrawals before age 59½ may also be subject to a 10% early withdrawal tax penalty (25% if the withdrawal is made in the first two years of participating in a SIMPLE IRA plan).

You've got choices.

When choosing a retirement plan, it is a good idea to consider how the plan is funded, the maximum amount you can contribute, and how much administration will be needed to run the plan.

SEP IRA

A SEP IRA is one of the easiest plans to set up and run. It is funded solely by employer contributions. You can choose to contribute from 0% to 25% of each employee's compensation, up to $56,000 in 2019. You must contribute the same percentage of compensation for all plan participants.

SIMPLE IRA

Also one of the easiest plans to set up and run, a SIMPLE IRA is an option for businesses with 100 or fewer employees. Employees can contribute up to $13,000 ($16,000 if age 50 or older) in 2019. Employer contributions are required and can take the form of a match for plan participants or a percentage of compensation for all eligible employees.

401(k)

Although more complex than IRA-based plans to run, 401(k)s offer greater flexibility in plan design. Employees and employers can each contribute. For 2019, the maximum employee contribution is $19,000 ($25,000 if age 50 or older). Total employer and employee contributions cannot exceed the lesser of the employee's compensation or $56,000 ($62,000 if age 50 or older).

Individual or Solo 401(k)

This plan is an option for self-employed individuals and owners of businesses without employees, other than a spouse. It offers the same generous contribution limits as a regular 401(k) plan, but can be easier to administer. Nondiscrimination testing is not required as long as you do not have employees and annual IRS filings may not be required until the plan's assets exceed $250,000.

Defined Benefit Plans

Defined benefit plans are typically funded mainly by the employer and are designed to provide a specific benefit for employees at retirement. Although more complex than other types of plans to administer, a defined benefit plan allows employers to contribute more, making it an attractive option for employers who want to build up their retirement assets quickly.

5 Things to Know About Social Security Before You Begin Retirement Benefits

The choices you make about your Social Security benefits can have a lasting impact on your financial future. Here are five things to know about Social Security before you claim your benefits.

1 You'll get a larger monthly benefit if you start later.

Although you can begin receiving your retirement benefits at age 62, the longer you wait to begin benefits—up until age 70—the larger your monthly benefit will be. For an estimate of how much you may receive per month if you start benefits at age 62, full retirement age, or age 70, check out your Social Security Statement, which you can review online at www.ssa.gov.

2 You can maximize your spousal benefits by waiting until your full retirement age to start.

If you are married and your spouse earned considerably more than you did over the years, Social Security will generally adjust your monthly benefit amount to up to 50% of your spouse's benefit at his or her full retirement age if that amount is greater than your own benefit. But to get the full 50%, you generally must wait until your full retirement age to begin benefits. Begin any sooner, and the amount of your monthly benefit will generally be lower.

Here's an example. Let's say, your own benefit at your full retirement age is $600 and your spouse's benefit at his or her full retirement age is $2,400. 50% of $2,400 is $1,200, which is higher than your $600 benefit. So if you wait until your full retirement age to begin benefits, your total benefit will generally be $1,200 per month. If you start any earlier, you'll receive less than $1,200 per month.

3 Divorced? You may still be entitled to spousal benefits.

Even though you are divorced, you may be entitled to spousal benefits of up to 50% of your ex-spouse's benefit at his or her full retirement age if it is greater than the amount you'd receive based on your own record. But to be eligible for spousal benefits, you must have been married for at least 10 years, be unmarried now, and be age 62 or older. And to get the full 50%, you generally must be at least full retirement age when you begin benefits.

4 Working while receiving benefits may temporarily reduce them.

You can work and collect Social Security benefits at the same time, but some of your benefits will be withheld if you are under full retirement age and earn more than a certain amount.

- If you are under full retirement age for the full year, your benefit will be reduced by $1 for every $2 you earn over $17,640. (2019 amount)
- In the year you reach full retirement age, your benefit will generally be reduced by $1 for every $3 you earn in the months prior to your birthday month that exceed $46,920. (2019 amount)

When you reach full retirement age, your benefit payments will no longer be reduced due to your earnings. And Social Security will increase your monthly benefit amount to account for the benefits that were withheld.

5 Your benefits may be taxable.

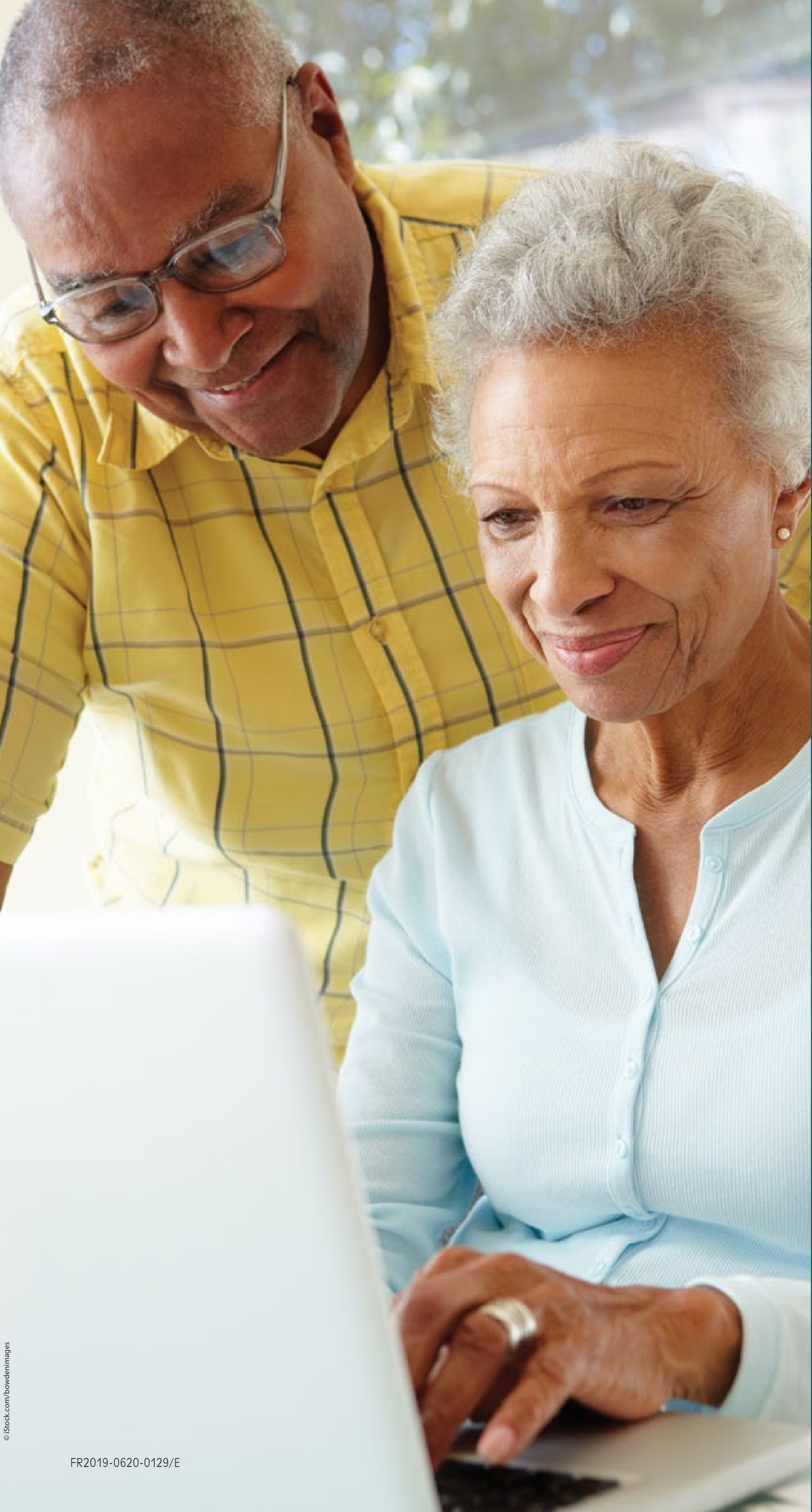
Part of the Social Security benefits you receive may be subject to federal income tax if your combined income exceeds a certain amount. Your combined income is the total of your adjusted gross income, your nontaxable interest, and one-half of your Social Security benefits.

For single taxpayers, up to 50% of your benefits may be taxable if your combined income is between $25,000 and $34,000. If it is more than $34,000, up to 85% of your benefits may be taxable.

For married couples who file joint tax returns, up to 50% of your benefits may be taxable if your combined income is between $32,000 and $44,000. If it is more than $44,000, up to 85% of your benefits may be taxable.

Your benefits may also be subject to state tax if you live in one of the thirteen states that tax Social Security benefits. ■

Please consult your financial advisor for advice on planning for your retirement.



Your full retirement age for Social Security purposes depends on the year you were born.

Year of Birth	Full Retirement Age
1943–1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 or later	67

Source: www.ssa.gov

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LAND OF ABUNDANCE | Sichuan Province, China

BY BRIAN JOHNSTON

Best known for its pandas and fiery cuisine, Sichuan Province is also home to magnificent landscapes, ancient Buddhist sites, and one of China's most agreeable cities.

IF OVERSEAS VISITORS COME TO Sichuan at all, it's usually to provincial capital Chengdu to admire the giant balls of black-and-white fur wedged into tree forks at the Chengdu Research Base, China's premier panda-breeding facility. It opened in 1987 with six pandas and has since seen the birth of 172 cubs. In early summer, newborn pandas tumble in their enclosures, where they're looked after like highly-strung celebrities. It's the only place in the world where you can see dozens of pandas in one place—providing you can elbow aside the admiring crowds of local visitors.

Linger longer in Sichuan Province, however, and you'll discover much more than just the world's cutest endangered animal. This southwestern region is an ancient and important part of China that goes largely overlooked by foreign tourists, who tend to focus on big-city destinations. Those who visit, however, are well rewarded by stunning landscapes, a sense of long history, and cities that have retained what has now been lost in much of busy China: a slower pace, distinct provincial character, and fun-loving lifestyle.

Chengdu is only a middling city by Chinese standards, though is no economic slouch, having outperformed even the nation's splendid growth rates over the last decade. IBM, Dell, and Apple are among companies with factories here, and the city has a new subway system, and a new airport opening next year. Yet the Sichuan capital remains studded with relic neighborhoods and monuments from a history that dates back to the ancient kingdom of Shu, the precursor of Sichuan province incorporated into the Chinese empire in 316 BC.

Among the highlights is the venerable Temple of Marquis Wu, where red-lacquer walls stand out against dusty cedar trees and bearded guardian warriors lurk in the shadows, and Du Fu's Cottage, dedicated to an eighth-century poet. Even if you aren't conversant with Tang Dynasty verses, you'll appreciate the sprawling park with its carp ponds, ancient pagoda, and wonderful stands of towering bamboo.

It's also well worth visiting relic-rich Wenshu Monastery, where you can lunch

The pandas (left) at the Chengdu Research Base are one of Sichuan Provinces' main attractions. The capital of the province, Chengdu (below), is renowned for its Sichuan cuisine and teahouses.

in the vegetarian restaurant, or join locals in its popular teahouse. There's nothing that typifies the Sichuan lifestyle more than its teahouses, where you can while away an hour—or an afternoon—slurping green tea from a lidded bowl.

Many of Chengdu's best teahouses are found in the city's parks. Office workers from shiny highrises collapse in bamboo chairs in the teahouse in People's Park for a lunchtime spent in a calmer, greener world. In Culture Park, Heming Teahouse features puppet and music shows and performances of Sichuan opera. The best tea drinking spot, though, is riverside Wangjiang Pavilion Park beneath a multi-tiered, Qing Dynasty wooden pavilion surrounded by huge, creaking bamboo. Don't miss it. Even on a rainy day, it's a delight of ponds, greenery, and water gurgling down dragon-shaped gutters.

Chengdu is as famous for restaurants as teahouses. Few cities are as food obsessed. Sichuan (sometimes spelled Szechuan or Szechwan) cuisine is considered one of China's four great cuisines, boldly flavored and famously spicy thanks to its tongue-numbing huajiao peppers and wanton use of chilies. Must-try dishes include dumplings doused in sweet red chili oil, grandmother's tofu, and dandan noodles topped with fried mincemeat. Gongbao (or kung pao) chicken is studded with peanuts and chunks of dried chili for yet another Sichuan combination of taste-bud pain and pleasure.

The ultimate test of your tolerance should be the notorious Sichuan huoguo or 'fire pot', a lip-burning broth in which you cook your own beef slices, fish, and vegetables at the table. The classic Chengdu huoguo is enjoyed in a simple neighborhood restaurant, where you teeter on a wooden stool and fling lotus root, prawn balls, and mushrooms into a bubbling hotpot as you counter the heat with Blue Sword beer.

Venture beyond the capital and you'll soon see why the food is so good here. Sichuan Province has stunning emerald landscapes of sculpted rice terraces and farmland centered on mud-brick villages. The subtropical, humid Sichuan Basin is one of China's most important food-producing regions, and always has been. At Dujiangyan near Chengdu, an irrigation system built in 256 BC to control flooding is still working. Now World Heritage listed, it makes for an unusual and interesting tourist visit.

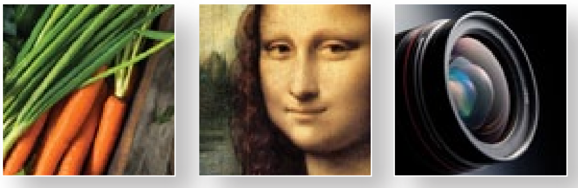
Agricultural abundance has made Sichuan one of China's most influential regions since ancient times. The market town of Leshan 85 miles south of Chengdu was founded three millennia ago at the confluence of three rivers whose wharves still see plenty of trade. Here the Minjiang River is lined by teahouses and ancient grottoes filled with Buddhist carvings, dominated by the eighth-century Big Buddha, a 232-foot statue carved out of the river cliffs and flanked by a staircase that takes you down to its enormous toes.

Nearby, Emei Mountain looms out of the fertile plains. This is perhaps the most beautiful of several sacred Buddhist mountains in China, with ancient monasteries and pavilions set in a landscape of pine and cedar forests and plunging cliffs. A cable-car ride brings you to the summit, but far more rewarding for those who have time is the hike up mountain trails and an overnight in a cliff-clinging monastery.

If you're an adventurous traveler, then the west of Sichuan Province, which borders on Tibet, couldn't be more different from the densely-populated, rice-terraced east. Here you'll find a mountainous plateau with peaks rising over 13,000 feet at the edge of the Himalayas. This remote region of spectacular scenery is only sparsely settled, mostly by ethnic minorities such as Tibetans. Hiking destinations such as Yading Nature Reserve will take you amid snow peaks, glacial lakes, and forested valleys.

Songpan, 186 miles north of Chengdu, is the traditional gateway to the mountains. Its old fortified walls, pierced by three huge gates, encircle an energetic stone-and-timber town in a huddle of narrow laneways and busy street markets. From here the road winds over a 13,450-foot pass squeezed between snow peaks to Huanglong (Yellow Dragon) Valley, where thousands of karst pools linked by miniature waterfalls and streams are tinted jade and turquoise by dissolved minerals. Meandering tracks lead through forests of juniper, Tibetan fir, rhododendron, and mountain oak—especially glorious in fall—to a Ming Dynasty temple at the top of the valley.

Deeper into northern Sichuan's mountains is Jiuzhaigou (Nine Village) National Park, named for its Tibetan villages where colorful prayer flags flutter from rooftops. The long valley cups stunning cobalt-blue lakes and waterfalls surrounded by forest-dense hills. Fall is fantastic, when birch, sycamore, and hornbeam turn orange and yellow on the hillsides, adding to the extraordinary colors—and making this a favorite movie location for filming China's fantastical martial-arts epics. A few wild pandas still roam these mountain forests, though you aren't likely ever to see one. Still, by this time you might agree that pandas are far from the only reason to visit Sichuan. ■



What's on this fall?

Culinary treats and demos by top chefs, masterpieces from renowned artists, and the works of artists waiting to be discovered by you for the first time await you at the following festivals and special exhibitions.

NASHVILLE **Music City Food & Wine Festival**

September 20–22, 2019

This festival brings together the stars of Nashville's culinary scene with acclaimed chefs and beverage experts from around the country. The program includes a culinary throwdown featuring celebrity sous chefs from the Nashville Predators and Tennessee Titans, cooking demonstrations at the Bicentennial Capitol Mall State Park on Friday and Saturday, and a Gospel Brunch on Sunday at Walk of Fame Park.

NEW ORLEANS

In Memory of What I Cannot Say: The Art of Guy de Montlaur

The National WWII Museum • March 15–October 20, 2019

This special exhibit examines the life and work of French fine-art painter Guy de Montlaur who fought the Nazis in World War II. "We're telling his epic story through interpretive text panels, profiles of men who served with him, archival photography, artifacts from his time in the service and, of course, more than two dozen of his vivid abstract paintings and sketches," said Larry Decuers, the exhibit's curator.

PARIS **Leonardo da Vinci**

Louvre • October 24, 2019–February 24, 2020

To commemorate the 500-year anniversary of da Vinci's death, the Louvre will present a special exhibition of the artist's works together with paintings and sculptures from his circle. The exhibition will illustrate how da Vinci placed the utmost importance on painting, and how his investigation of the world was the instrument of his art, seeking nothing less than to bring life to his paintings. To help ensure optimal conditions for viewing the exhibition, visitors will be required to make a reservation for a specific time slot.

SAN FRANCISCO

Soul of a Nation: Art in the Age of Black Power

de Young Museum • November 9, 2019–March 8, 2020

Celebrating the works of African American artists created during two pivotal decades in American history (1963–1983), the exhibition examines the purpose of art and the role of artists in society. More than 150 works (paintings, prints, photographs, assemblages, collages, sculpture, and street murals) by over 60 artists will be displayed. The exhibition, organized by Tate Modern, London, will include an expanded selection of works by African American artists working in the San Francisco Bay Area.

SEATTLE **Flesh and Blood: Italian Masterpieces from the Capodimonte Museum**

Seattle Art Museum • October 17, 2019–January 26, 2020

Forty or so Renaissance and Baroque paintings, most centered on the human figure, will be on display at the Seattle Art Museum through January. The paintings are on loan from the Capodimonte Museum, Italy's largest art museum, and include works by Raphael, Titian, and Artemisia Gentileschi.

VIRGINIA BEACH **Neptune Festival Art and Craft Show**

Virginia Beach Boardwalk • September 27–29, 2019

Considered one of the top art shows in the country, the Neptune Festival Art and Craft Show stretches for ten blocks along the Virginia Beach boardwalk and features the works—from original artwork and photographs to sculpture and glasswork—of more than 250 artists. While there, be sure to check out the creations of the talented sculptors who are competing in the International Sandsculpting Championship. ■

QUIZ

WHERE IN THE WORLD OF SPORTS ARE YOU?

1. If you are watching a giant apple rise into view beyond the outfield wall after someone on the home team hits a home run, you are in the stands at:

A. Citi Field (Mets)
B. Yankee Stadium (Yankees)

2. If you are courtside at the only Grand Slam tennis tournament still held on a grass court, you are in:

A. Wimbledon
B. Paris

3. If you plan to attend the 2020 Summer Olympics, you will be visiting:

A. Beijing
B. Tokyo

4. If you are teeing off on the course where the U.S. Open was held in 2019, you are at the:

A. Pebble Beach Golf Links
B. Augusta National Golf Club

5. If you are watching a white horse ridden by a Trojan warrior gallop around the football stadium after the home team scores, you are at the:

A. Rose Bowl (UCLA)
B. Los Angeles Memorial Coliseum (USC)

6. If you will be cheering from the stands at the Super Bowl in 2020, you will be in:

A. Atlanta
B. Miami

7. If you are on an aerial tram looking down at expert skiers as they carve through the powder of Corbet's Couloir, you are at:

A. Vail
B. Jackson Hole

8. If you are watching a baseball slam into the ivy that covers this ballpark's outfield wall, you are at:

A. Minute Maid Park
B. Wrigley Field

9. If you are attending a pro basketball game in an arena that sits above the busiest train station in North America, you are in:

A. Madison Square Garden (Knicks)
B. The United Center (Bulls)

10. If you are at the Brickyard watching 33 drivers compete in a 500-mile race, you are in:

A. Indianapolis
B. Talladega

ANSWERS: 1-A, 2–A, 3–B, 4–A, 5–B, 6–B, 7–B, 8–B, 9–A, 10–A