



SPECIAL POINTS OF INTEREST:

- Giving \$ away
- Small businesses are the backbone of AL economy
- Spotighting one of our valued clients
- Budget Comparison
- Funny Quotes

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Taxing Times

Dedicated to helping our clients keep the money that belongs to them through a focus on tax.

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The Best Thing We Can Do For Someone Else is to Put Them in Business for Themselves

There's something that happens to your soul when you cut a big check to someone in need.

You signal to those very fears and desires which so often control your unconscious thoughts: "Money doesn't rule me. I have more than enough, so much more than enough that I'm giving it away."

Charity is irrational. Nevertheless, you give money away not because it is rational, but because it is right. It is part of the fabric of the American way of life. Some mistakenly believe that the United States leads the world in charitable giving because it is the also the wealthiest. In reality, charitable giving contributes to wealth creation. According to Daniel Lapin in his book "Thou Shall Prosper: Ten Commandments for Making Money," it is far more likely that the U.S. evolved into a power house of wealth creation because of its deeply ingrained cultural habit of giving.

This seems to be irrational. Wouldn't it be easier to build wealth if we held onto every dollar instead of giving some of it away? Yet it is sound advice. *Continued on page 3 ➡*

A NEW TAX CREDIT ... for Small Businesses in Alabama *with Ashley Brown*

Did you know that 80 percent of new jobs are created by small businesses? According to the U.S. Small Business Administration there are approximately 69,200 businesses in Alabama with less than 20 employees. According to the federal government, small businesses account for about 97 percent of all private employers in the state, and they employ almost half of the state's private-sector work force. So it's easy to understand why Governor Bentley recently stated, "Small businesses are the backbone of the Alabama economy."

One might remember a few years ago, when Alabama approved \$400 million worth of tax incentives to encourage a ThyssenKrupp steel mill to the state. The steelmaker promised to bring 2,700 jobs once it was fully operational and approximately another 29,000 temporary positions during the building process. What if I was to tell you, that this new tax credit for small businesses could potentially create more jobs for the state of Alabama and be cheaper for our government?

Alabama's Full Employment Act of 2011 is designed for small businesses in Alabama who have 50 or fewer employees. These small businesses could receive a one-time income tax credit equal to \$1,000 per new job paying more than \$10 per hour. This credit will be available for the tax year during which the employee has

completed twelve months of consecutive employment and can begin on or after January 1, 2011.

How might this tax credit be better than the ThyssenKrupp tax incentive? Rosemary Elebash, the state director of the National Federation of Independent Business, illustrated it this way:

"If only 5 percent of those (69,200) businesses hire one person at a qualifying wage -- we're looking at 3,460 new jobs across the state. That's a lot more than ThyssenKrupp promised to hire, and remember, ThyssenKrupp's tax incentives were valued at \$400 million.

If 3,460 small businesses qualify for incentives under the governor's Full Employment Act, we're talking about only \$3.5 million.

That seems like a small price to pay to put 3,460 people back to work -- 3,460 people who would, in turn, have money to spend at other businesses in their communities."

Through this new tax credit, I hope small businesses will not only see the benefit for their small business, but also for the people of

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Thanks for the Referrals

We appreciate the opportunity we've been given to serve others by those who have taken the time to express their trust and confidence in us to their friends. Your referrals are our greatest compliment.

~Carrie Golden~

~Jim Byrd~

A NEW TAX CREDIT ...

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Alabama and our economy. To help determine if your small business is eligible for this income tax credit, Abroms and Associates of Florence, AL, and Bradley Arant Boult Cummings, LLP created a flowchart which can be found at :

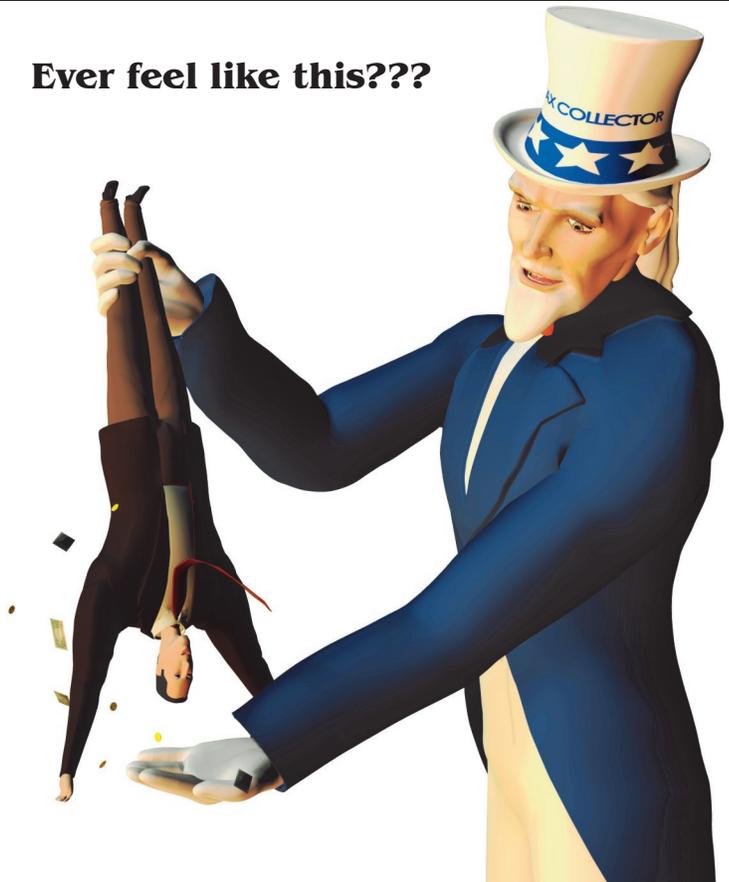
<http://www.ascpa.org/Content/39513.aspx>. ❁

A man about to have a heart transplant was offered the choice of either a 26 year-old marathon runner's heart, or the heart of a 62 year-old IRS agent. He picked the agent's heart because he said it had never been used.

There is no child so bad that he/she can't be used as an income tax deduction.

A taxpayer received a strongly worded "second notice" that his taxes were overdue. Hastening to the collector's office, he paid his bill, saying apologetically that he had overlooked the first notice. "Oh," confided the collector with a smile, "we don't send out first notices. We have found that the second notices are more effective.

Ever feel like this???



Federal Budget vs. Household Budget: How Do They Compare? *Dave Ramsey*

Whenever the talking heads on TV start talking about the national economy, most of our eyes start to glaze over. The gigantic numbers that they throw out there are ridiculous; most Americans have no idea what those numbers mean in practical terms. So, I thought it'd be fun to turn those figures into something we can understand a little better—like a household budget.

The federal government will take in \$2.173 trillion in 2011. That's their income, and it sounds pretty good. Until, that is, you factor in that the federal government will *spend* \$3.818 trillion during the year. So, just like many families, the government's outgo exceeds their income—to the tune of \$1.645 trillion in overspending. That's called the deficit. Altogether, the government has \$14.2 trillion in debt.

What would happen if John Q. Public and his wife called my show with these kinds of numbers? Here's how their financial situation would stack up:

If their household income was \$55,000 per year, they'd actu-

ally be spending \$96,500—\$41,500 more than they made! That means they're spending 175% of their annual income! So, in 2011 they'd add \$41,500 of debt to their current credit card debt of \$366,000!

What's the first step to get out of debt? *Stop overspending!* But that means a family that is used to spending \$96,500 a year has to learn how to live on \$55,000. That's a tough pill to swallow. Those kinds of spending cuts *seriously hurt*, but it's the only way out of debt for John Q. Public.

If I ever got a call from a family that was spending \$41,500 more than they made every year, you would definitely expect me to yell at them for their dumb behavior, right? Kids, no more McDonald's four times a week. Snacks come from the grocery store now. And we're not going to the movies for a while, so break out the board games and *TV Guide*. This family has a problem, so it's time to amputate the lifestyle!

It works the same way for the government. You can't borrow your way out of debt, whether you're a typical American family or the entire U.S. government. At some point, you've got to say, "Enough is enough!" and make the hard cuts necessary to win over the long haul. ❁



This month's Special Gold Member call-in times for Lindsey's Insider Circle will be 1/23/12 from 2:00 to 4:00 pm. To schedule your appointment, contact Kristen at (251) 633-4070.

A fool and his money are soon parted. It takes creative tax laws for the rest.

- C. Bob Thaves

The more you earn, the less you keep,
And now I lay me down to sleep.

I pray the Lord my soul to take,
If the tax collector hasn't got it before I wake.
- Ogden Nash

The Best Thing ...
continued from page 1

People are naturally suspicious of doing business with people who seem desperate. Remember the time you found yourself at the hands of a rookie car salesman that came across as overly anxious to close the deal. Your antennae shot up, red flags started waving and you began hearing "danger Will Robinson, danger" in the back of your head. Desperate people make others uncomfortable.

One of the best ways of overcoming that appearance of desperate eagerness is to make yourself feel rich. If you were rich, Lapin reminds us, then another deal would be nice but not crucial.

One of the popular ways to accomplish this is spending money on others. This is why purchasing gifts for others is such a popular activity. Many people express the idea that buying presents for friends and family is their favorite part of the Christmas season. For most, buying gifts for others is actually more satisfying than buying for themselves.

Giving some of your money away makes you feel like a better person, enabling you to come across as a better person.

In laying out a path to prosperity, Lapin tells us: "Giving away money is also one of the most powerful and effective ways of increasing your own income. More than a few business lunches are scheduled as a result of chance encounters during charitable support work. Rest assured that in very little time, you will be involved in transactions, partnerships, or collaborations that grew from your association with your charitable group."

The preeminent Jewish philosopher Moses Maimonides ranked various acts of charitable giving. The highest rank is putting the recipient in business for himself, so that he is no longer living by relying upon others. The next highest rank is giving money to someone who needs it in such a way that neither the donor nor the recipient knows the other's identity. By associating with a charitable organization you know which groups of people your organization has chosen to help but you don't know the identity of the specific recipients.

That's why I'm associated with the Women's Business Center. By associated I mean I invest both my time and money. I'm helping the next generation of southern Alabama women who want to achieve the dream of self sufficiency through small business ownership.

The Women's Business Center has partnered with the U.S. Small Business Administration for nearly two decades. Every dollar contributed to the support of the Women's Business Center brings two federal dollars that are being used for hand ups, not hand outs in our area. The training, counseling, mentoring, and coaching the Center provides directly impacts the creation and strengthening of for-profit, tax paying, job creating, diverse local businesses.

The Women's Business Center's clients are a diverse group, including women and men from every socio-economic level, with education ranging from GEDs to PhDs. They come to the WBC seeking someone to listen to their ideas and dreams for the future... seeking help to understand how to get the funds to start or expand their business idea... looking to the Center for expert advice or just a word of encouragement.

Women's Business Center gave me the encouragement and assistance I needed. They supplied me with business loan options and the steps necessary to open a business. Moreover, it was the confidence that this business could be more than a dream on paper.

*Dr. Nikoleta Alexander,
Chiropractor*

The Women's Business Center has been extremely influential and helpful with the success of Marchand Landscape Designs. The support and advice I've received from the WBC has proven to be instrumental with the growth of my business and myself as a businesswoman.

*Elizabeth Marchand,
Marchand Landscaping*

If you're like me, you received 17 "Consider including _____ in your holiday giving plans" requests over the last couple of months. And that's why I intentionally waited until after the others suggested you needed to hurry up and get your tax deductions in. Because it's not about whether you get a tax deduction or not... and yes you do, by the way... it's about helping someone else help themselves.

Get involved with me at the Women's Business Center by calling the Center at 251-660-2725 or support our efforts to support entrepreneurs by going to their website at www.womenbiz.biz.

ZEVAC & LINDSEY

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1050 Hillcrest Road, Suite A
Mobile, AL 36695
(251) 633-4070—phone
(251) 633-4071—fax



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Looking for Someone You Can Rely On?

We really believe in the process of referrals, so part of the service we provide is to be sure to refer our clients and associates to other qualified businesspeople in the community.

Below you'll find a list of areas in which we know very credible, ethical and outstanding professionals. If you're looking for a professional in a specific area we've listed, please feel free to contact us. We will be glad to put you in touch with the people we know who provide these services.

- ◆ Plumber
- ◆ Cultured Marble
- ◆ Massage Therapist
- ◆ Welding Supplies
- ◆ Printer
- ◆ Ugly House Buyer
- ◆ Advertising Specialties
- ◆ Attorney
- ◆ Auto and Home Insurance
- ◆ Photographer
- ◆ Remodeler
- ◆ Realtor
- ◆ Tree Service
- ◆ Florist
- ◆ Civil Engineer
- ◆ Diving Bell Fabricator
- ◆ Used Auto Dealer
- ◆ Nail Salon



Richard A. Lindsey, CPA

CLIENT SPOTLIGHT

with Paula Waldo



ARC Controls, Inc. began operations in 1975. The company has evolved from a welding and heat treating specialty shop to a general manufacturer having a whole spectrum of metal working capabilities. As most small companies do, ARC Controls, Inc. had a desire to become big, a household name if you will. To do this, the company not only worked out of their location but went above and beyond by going directly to the client to serve them better. With over the 35 years in operations, today they offer top notch customer service and exceed customer expectations whenever possible.

Today, ARC Controls, Inc. serves industrial, marine, and government customers and always delivers on cost, quality, and safety.

We, at Zevac & Lindsey, would like to take this opportunity to brag on them a bit. In this month's issue of Ocean News & Technology, ARC Controls, Inc. is showcasing one of their custom designed products, a hyperbaric rescue chamber. This rescue chamber is built and tested by ARC Controls, Inc. and used on international vessels. It is a means of rescue from a ship should the crew need to evacuate. ARC will be displaying this chamber at the Underwater Intervention in January 2012 and then taking it all the way to London to the Oceanology International Conference in March of 2012!

Thank you ARC Controls, for showing that hard work, determination, and perseverance does pay off. Congratulations to you for taking a small company global and bringing ARC Controls, Inc. a step closer to being a household name. ❁