

ZEVAC & LINDSEY

CERTIFIED PUBLIC ACCOUNTANTS

"You see the numbers, we look for the opportunities."



SPECIAL POINTS OF INTEREST:

- Refunds aren't always a good thing
- Relief from the storm
- Buster's latest
- Budgeting for the holidays
- Various Announcements

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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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DO YOU REALLY WANT A BIG REFUND?

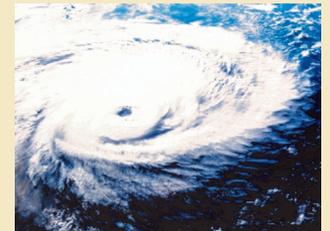
My guess is that most people reading this said, "Well, yes I do!" Some may have said, "The bigger the refund the better." But is that the best answer? If you have a tax return with lots of tax credits then a big refund might be the right answer. Credits such as the child tax credit, earned income credit, and education credits will make that refund grow. However, if the big refund you usually get is solely due to the fact that you over withheld from your paycheck or paid in too much in estimated payments, the big red light is blinking "WRONG ANSWER!" If you pay Uncle Sam too much money during the year, then you are giving the government an interest free loan while they have your money. Why would you want to give your hard earned money to the government interest free? You probably don't. Ideally, most people should want to break even with Uncle Sam. By doing this you are paying in enough taxes so that you do not pay anything in April but you aren't giving any loans to the government. How do you break even with the government? There are a few things you can do. They are the following:

1. Evaluate your withholding form (W-4) each year and determine what the best withholding situation is for you. If you are currently allowed a child tax credit and a dependent care credit, you may be able to increase your exemptions.
2. If you had an extraordinary taxable event one year and were given estimated tax payment coupons, you may not need to make those. If you sold a lot of stock and had capital gains that won't happen this year, let us know and we can adjust that out of the estimated payments.
3. In October, go to www.irs.gov and use the withholding calculator to evaluate whether you have paid in too much or not enough. Often, it is helpful to perform this task later in the year because things change. You may get a raise, have a child, or get married. This online tool will help you determine where you will be on your current year's tax return.

So, just because your friend or co-worker gets a big fat refund, doesn't mean they are using their money wisely! ☺

Alabama Lawmakers Create a Tax Deduction for Strengthening Homes Against Storms

Homeowners that retrofit their homes to help withstand hurricane and windstorm damages will be able to deduct up to \$3000 from their state taxable income. At the 5 percent rate paid by most Alabamians, the maximum savings would be around \$150. While \$150 is not enough to reroof a house, it is a step in the right direction to provide incentive for the homeowners that are taking the proper steps to protect their homes. The Legislators of Alabama understand that the savings available aren't going to cover much of the improvements that would be needed on most homes, and are hoping to soon be able to add other incentives such as grants or a federal income tax deduction to help make improvements be more attainable. There is, however, an Alabama law already in place that has set a mandatory insurance discount of at least 15% for certain home improvements, such as roofs, doors and windows.



The Insurance Department trust funds may soon allow coastal Alabamians to retrofit their homes for hurricanes without having to personally pay for the improvements. The Strengthen Alabama Homes Fund aims to pay all the costs of storm-proofing typical homes. The fund currently has no revenue stream, but the bill's sponsor, Sen. Ben Brooks, R-Mobile

Continued on page 3 ➔



It seems everywhere you turn these days people are going on vacation. I know my back fence neighbors recently went somewhere because their yard was silent. Normally those two collies make a ruckus every time their humans let them out. What is their problem? I can tell they don't have their own doggie door, otherwise I'd never get any rest. Whenever they start their ruckus I dash out my doggie door and before you could say "Buster" I'm at the back corner jumpin' up and down and getting on to them. I see it as my duty to run out and tell them to quiet down. Geez... you'd think they could tell they were disturbing my "eye resting" as many times as I've told them. I guess some dogs are just not that considerate.

I know Richard and Carita recently returned from their big trip of the summer, too. I heard them talking about a cruise to a place they called the British Isles. I don't really understand where that is. I "know" what an island is but the most water I've seen in a very long time is Jack and Tyler's swimming pool. They got no islands in there. Richard talked about seeing lots of castles and palaces – whatever those are – and lots of sheep. I was just about to rest my eyes again when my ears perked up with that. Sheep... He said sheep? That was the first time I remember Richard ever going on a trip and coming back talking about sheep.

I heard him say that one place they went, I think it was Scotland, had 10 sheep for every human. Wow...



Can't you just imagine how much fun that would be? Up in the Scottish Highlands, majestic little fields of green, rolling hills each containing hundreds of sheep... each field separated by short stone walls... and nothing to do all day but bask in the sun and rest. From what I heard it was downright cool over there... at least compared to Lower Alabama standards... like high temperatures of 62° in late August! Dog, what's up with that? Whatever happened to the Dog Days of Summer? Did they lose them?

Then, Richard took off for a couple days in September to go to Cleveland, Ohio and spend some time with his marketing mentors Dan Kennedy and Bill Glazer. He came back from there talking about horses. First sheep and now horses... why isn't he taking me with him? Seems Dan is a harness racing aficionado. Dan owns a few standard bred horses and Richard got to spend some time hangin' out at the barn and track with Dan.



Wait...

Maybe that's those collie's problem... they miss hangin' out with the sheep. I'm gonna ask next time we meet at the fence.

Until next time,

Your Canine friend,

Buster 



According to Dave— October is the Most Critical Month

We're already being bombarded with the seasonal candy and decorations immediately upon entering any store...and the holiday is over a month away! What's even crazier is that Christmas décor is already stocked in the back and ready to overtake the shelves at a moment's notice!

Marketers have realized that as we approach the last few months of the year, we tend to let our emotions influence our spending at a new level. What this really means is that they've been carefully studying our habits. They know the value of having thought-out and well-executed plans. Can the same be said of you? **Are they ahead of you in their planning?**

Regardless of your financial standing, October is a critical month for determining how your bank account will look and affect your life over the next few months—and even next year (which, by the way, is less than 100 days away).

There are two options—plan or don't plan. The lack of planning in October can really set you back financially and cause stress through the holiday season. Therefore, have a reality check with your money and plan accordingly *now* before the temptation to overspend is here in full force...times three. On the flip side, your diligent planning and focus will pay off and set you up for fun times with less money worries!

Even if you heeded Dave's advice by writing down your goals and refocusing on your monthly budget, every month is different and requires your undivided attention once again. And when you throw a full holiday season in the mix, you better believe extra attention is vital!

Because, really, who wants to be paying for Christmas in April? *No one.*

So, before Halloween, Thanksgiving, Christmas and all the little "emergencies" in between get here, sit down tonight, write down a separate plan for your holiday money, and pinky-swear, spit-shake or whatever you must do to establish that you and your family are committed to this plan. If you've already added this part to your regular monthly budget, good for you! Keep it up and stick to your plan. Don't let your guard down now so close to game time. **Stay diligent so you can reap the rewards of your hard work!**

Remember, it doesn't have to be complicated. Just a simple agreement of "We are going to spend X amount of dollars for gifts, X amount for potluck-gathering food **Continued on back cover** ➔"

Alabama Lawmakers—*continued from page 1*

anticipates that fine money from the Gulf oil spill and federal grants will eventually provide the funds. The Department of Insurance will have final say on who receives the grants and how much they receive. According to Brooks, the fund would likely cover the \$7,000 to \$12,000 cost of a typical home retrofitting.

Law makers understand that at this point this new bill may take time to make an overwhelming impact upon Alabama, but are more than confident that this will benefit Alabama as a whole as time passes. The idea is that not only will homeowners begin to improve their homes to get the savings, but the construction companies as a whole will start outfitting new homes in order to meet these requirements, which will automatically make these savings available to new homeowners as well. Not only is this beneficial to the homeowners, it will also improve the insurance market as many homeowners haven't been able to renew their wind damage policies since 2004, after Hurricane Ivan ravaged the coast.

In light of the recent tragedy that struck North Alabama, it is more than evident that something like this is needed to be put into effect, as the victims that were devastated by the tornados were highly concerned that insurance companies would hold the lack of preparedness against them. Due to this catastrophe, the number of canceled insurance policies has risen drastically in North Alabama. Had this bill been active before the tornados hit, the outcome may not have been the same. Not only could this bill be an opportunity to provide an insurance discount to those that take advantage of it, but it will also help Alabamians have a peace of mind in the event of possible damage to their home, as well as help homeowners to recover quicker if something does happen.

While this bill may not fix all the issues that are out there, in regards to this topic, it is going to be important to follow the news for the next few months and see how things progress. Because as they say, "This is only the beginning."✿

Warning:

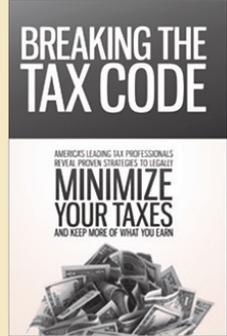
Ignore This Book at Your Own Risk...

Since hitting the best-seller list with my newest book, *Breaking the Tax Code*, I've been interviewed as a guest tax expert on the radio in addition to the magazine and other small business tax expert interviews I gave before the book was even published.

If you're interested in discovering proven strategies to

- * Avoid being a tax victim,
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.....
I'm sure a lot of people will gain from [Breaking the Tax Code]. I for one gained so much from you, getting my past taxes in order. When others find out how good you are...they'll be at your office door.

Charles Elrod, Mobile, AL

This month's Special Gold Member call-in times for Lindsey's Insider Circle will be 10/24/11 from 2:00 to 4:00 pm. To schedule your appointment, contact Kristen at (251) 633-4070.

THANK YOU!!!

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.

- ~ Darrell Manning ~ Jim Byrd
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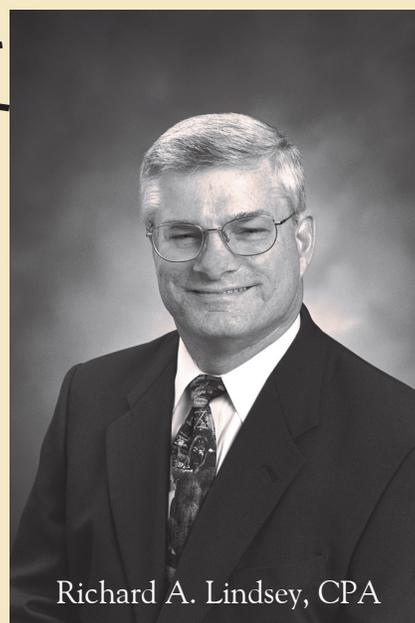
According to Dave—October is the Most Critical Month

and X amount for traveling" will be sufficient. But you must take care of all the ongoing necessities first before you budget these fun things.

Don't stress out if the amount you've set aside for these celebrations isn't as high as you want it to be. Gifts are fun to give and receive, but they definitely shouldn't make or break your enjoyment. So, keep this in mind as you're working through your plan: Is it worth it to buy hundreds of dollars of stuff now, pay for it later, and still be in debt?

You know what Dave would say and do. But the decision and action is up to you!

Reprinted with permission from *Dave Ramsey's free e-newsletter*, October, 2010. Dave Ramsey is a personal money management expert, national radio show talk host, television host, and New York Times bestselling author. He's helped millions of people get out of debt and build wealth. He is today's voice of financial wisdom and he exclusively recommends me to help you! *To learn more about Dave Ramsey visit him online at daveramsey.com*



Richard A. Lindsey, CPA

