That Double Play Again

They played baseball together for ten years, and it happened so often, Franklin P. Adams, a New York Evening Mail columnist, wrote an eight-line poem about it. Originally published under the title “That Double Play Again,” it is better known as “Baseball’s Sad Lexicon,” or simply as “Tinkers to Evers to Chance.”

These are the saddest of all possible words: “Tinkers to Evers to Chance.”

Trio of bear cubs, and fleeter than birds,
Tinker and Evers and Chance.
Ruthlessly picking our gonfalon bubble,
Making a Giant hit into a double—
Words that are heavy with nothing but trouble: “Tinkers to Evers to Chance.”

A little background: Back when the Chicago Cubs were a dynasty they won the National League pennants in 1906, ’07, ’08, and ’10 and the World Series in 1907 and ’08. Anchoring their infield were shortstop Joe Tinker, second baseman Johnny Evers, and first baseman Frank Chance -the best double play combination of the day.

Adams considered the poem a throwaway when he wrote it. He simply wanted to get out to the ballpark and watch the game. But those three may still be the best known Cubs of all time.

But, it didn’t happen by chance. (Did you see what I did there?) It happened by teamwork. It happened because they practiced. It happened because Tinkers and Evers and Chance developed a special relationship with one another unlike most others.

Don’t Get Tripped up in the Partnership Changes

Congress recently enacted significant changes to partnership audit and adjustment rules. The changes are expected to dramatically increase the audit rates for partnerships, and will require partners to carefully review, if not revise, their partnership’s operating agreement.

The new rules generally apply to partnership returns filed after 2018, but careful planning today will help mitigate any unfavorable consequences.

Important new provisions that may impact you:

Continued on back cover
Ask the Taxpert

**Question:** Like many students, I am looking forward to some time off from school and perhaps a summer job. What are the most important things I should know before I get that first job?

**Answer:** Here are seven of the most important tips I could think of:

1. Taxpayers fill out a W-4 when starting a new job. This form is used by employers to determine the amount of tax that will be withheld from your paycheck. Taxpayers with multiple summer jobs will want to make sure all their employers are withholding an adequate amount of taxes to cover their total income tax liability. To make sure your withholding is correct; visit the Withholding Calculator on IRS.gov. If you don’t expect to owe taxes, then you can choose to write “exempt” on the W-4 and not have any taxes withheld.

2. Whether you are working as a waiter or a camp counselor, you may receive tips as a part of your summer income. All tip income you receive is taxable income and therefore subject to income tax.

3. Many students do odd jobs over the summer to make extra cash. Earnings you receive from self-employment are subject to income tax. These earnings include income from odd jobs like baby-sitting and lawn mowing.

4. If you have net earnings of $400 or more from self-employment, you will also have to pay self-employment tax. This tax pays for Social Security benefits. Social Security and Medicare benefits are available to individuals who are self-employed the same as they are to wage earners who have Social Security and Medicare taxes withheld from their wages. The self-employment tax is figured on Form 1040, Schedule SE.

5. Subsistence allowances paid to ROTC students participating in advanced training are not taxable. However, active duty pay – such as pay received during summer advanced camp – is taxable.

6. Special rules apply to services you perform as a newspaper carrier or distributor. You are a direct seller and therefore subject to income tax. These earnings include income from odd jobs like baby-sitting and lawn mowing.

7. Generally, newspaper carriers or distributors under age 18 are not subject to self-employment tax.

Do you have a question for the Taxpert that you’d like to see answered in a future Taxing Times? Or perhaps just an issue you’d like the Taxpert to address? Send the Taxpert a note to Taxing Times, 1050 Hillcrest Rd., Ste A, Mobile, AL 36695 or an email to taxpert@CPAMobileAL.com.

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We Believe in Referrals

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.

- Marketing Coach
- Home Inspector
- Carpet Cleaner
- Realtor
- Attorney
- Veterinarian
- Pest Control
- Printer
- Payroll Specialist
- Mortgage Broker
- Signs
- Identity Theft Protection
- Travel Agent
- Auto/ Home/ Life Insurance
- Land Surveyor
- Banker
- Cultured Marble
- Financial Advisor

This month’s special Member-Only call-in times for Lindsey’s Insider’s Circle will be 5/22/17 from 2:00 to 4:00 pm. To schedule your appointment, contact Kristen at (251) 633-4070.

Not a member yet?
Find out how to become one TODAY!

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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.

~ Danielle Genry ~
~ Gerald Worthy ~

THANK YOU!
A Simple Way to Think About Money  By Dan S. Kennedy

The first thing you need to think about money is that there’s plenty of it for everybody willing to do what works to attract it and work to earn it. Never think of money as finite, so that a dollar you get deprives someone else of a dollar. Second, then, go get as much of it as you want by creating value to exchange for it, without guilt. Don’t ever feel guilty about sitting up front in the first-class cabin because somebody else is in back, in coach. Your choices got you where you are, their choices have gotten them where they are. If you want to be charitable, that’s fine. But don’t feel guilty. Guilt repels prosperity. And don’t let anybody else sell you negative ideas about money either. Your emotional relationship with money is very important. You might not realize you even have an emotional relationship with money but you do, and it’s fragile and is easily, adversely affected.

People who constantly lack money have in common negative emotions about it and toward those who have it. Their relationship with it is full of fear, anxiety, envy, and resentment. People who have plenty of money have in common positive emotions about it. This is not coincidence. It is cause and effect.

Next, never focus on lack. Don’t dwell on or worry about what you haven’t got. Worry has never made money materialize. I’ve tried it. It doesn’t work. Instead, concentrate on something productive and profitable, on finding new or better opportunity, on somehow making yourself more valuable. Because of the nature of my business, over 50 years, I’ve gotten to know lots and lots—thousands—of people who once lacked money and now have a lot of it. Most of them are not any smarter than you. Many do not have college educations. Some come from “mean streets.” Many have failed once, or several times, before succeeding. They are genetically, intrinsically nothing special. Their thinking and behavior differed and differs from the majority who don’t do well financially, but they are not different—so anyone, including you, can achieve and enjoy the same prosperity they have if you will learn about and adopt their thinking and behaviors. There is no shortage of opportunity.

Don’t resent those who do well. All envy and jealousy of the rich is counterproductive, just as is the desire for something to be taken away from those who have it, to be given to you. Everybody who is doing very, very well financially has something to teach you, to reveal to you, if you will observe them and study them. The fact that their success exists can and should inspire and encourage you.

It is tempting to look at the wealthy as undeserving or lucky. This is rarely the case. Few who watch Jay Leno host the Tonight Show and know how wealthy he is are aware of how much time he spent sleeping in his car—he was twice arrested for vagrancy, in L.A., near the current location of his star on the Hollywood Walk of Fame. This is the truth behind 99% of the rich, the rich and famous, and the successful in any and every field of endeavor; there is reason not happenstance.

The author, Dan Kennedy is a serial entrepreneur, celebrated business author, sought-after advisor to businesses worldwide, an accomplished professional speaker—frequently appearing on public programs with four former U.S. presidents, Gen. Norman Schwarzkopf, Gen. Colin Powell; business leaders and super-entrepreneurs; and Hollywood and sports celebrities. Information about the author can be found at www.NoBSBooks.com. *

What I’m Reading...

NOW
Broken by C.G. Cooper

Talk Like TED: The 9 Public Speaking Secrets of the World’s Top Minds by Carmine Gallo

RECENTLY
Odessa Sea by Clive Cussler and Dirk Cussler

Truth or Delusion? Busting Networking’s Biggest Myths by Ivan Misner, Ph.D., Mike Macedonio and Mike Garrison

It’s a Home Run!

We’ve just completed what will undoubtedly go down in our record books as, if not our best tax season ever. then, certainly number two. (At this point, all the numbers aren’t in and I don’t know for sure.) It’s not just because we added so many new clients to our Lindsey & Waldo family, but because of the stories we’ve been privileged to share.

Stories of financial freedom and recovering from losses… new family members (both biological and adopted)... new careers and sunsets of “old” ones.

You never let us forget that what we do here is never about “which forms to fill out,” or even how much money we can save you. No, it’s always about the stories, and it’s always worth it.

So, if you haven’t had a chance yet: would you send us your “tax season story?” We’d love to hear how things went with us, but even more... we’d really like to know what’s underneath those tax forms we fill out for you! It truly helps us keep our vision straight through the entire year. *

If and only to the extent that this publication contains contributions from tax professionals who are subject to the rules of professional conduct set forth in Circular 230, as promulgated by the United States Department of the Treasury, the publisher, on behalf, of those contributors, hereby states that any U.S. federal tax advice that is contained in such contributions was not intended or written to be used by any taxpayer for the purpose of avoiding penalties that may be imposed on the taxpayer by the Internal Revenue Service, and it cannot be used by any taxpayer for such purposes.
You Are Not Entitled to Success

Everyone wants some degree of success. We might want it in different forms, but I've never met anyone who didn’t want to be successful. This is good. I believe everyone is entitled to pursue success.

But you are not entitled to success.

Success is determined largely by our hard work and our choices. There are many people who work hard, but make bad choices. It’s amazing how many of them think they deserve to be successful because they feel they’ve worked hard for it. On the other hand, I don’t know many, if any, successful people who make good choices, but didn’t work hard.

In his book, Masters of Success, Dr. Ivan Misner writes about someone he knew that constantly lamented her “bad luck.” She wasn’t happy with the various jobs that she had over the years, and her personal life was in a shambles; she was almost 30, hadn’t completed college, and constantly had money problems. She often blamed situations or other people for the various predicaments she was in. However, Dr. Misner writes, the glaring, obvious truth was that, although she worked fairly hard, she made bad choices. One day she would complain about money, and the next day she’d buy something totally extravagant and completely unnecessary. The next week she’d complain about not being able to get a good job while showing up to work an hour late for personal reasons (which happened regularly).

Business Network International (BNI) provides an environment in which you can develop relationships with dozens of other qualified business professionals. By establishing this “formal” relationship with other people, you have the opportunity to substantially increase your business. But it doesn’t happen automatically.

There is a methodology you can use to become a successful networker, to build a successful word-of-mouth based business. But you have to choose to put it into action.

We are not entitled to success. It must be earned. It is not handed over because we work hard. If it were that easy, everyone would have the success she thinks she deserves.

I’ve heard Dr. Misner say it dozens of times: “The secret to success without hard work and good choices is still a secret.”

Don’t Get Tripped—continued from front cover

- The IRS may collect any additional tax, interest, and penalty directly from the partnership rather than from the partners (the tax could be collected at the highest individual tax rate).
- Current partners could be responsible for tax liabilities of prior partners.
- New elections and opt-outs will be available and your agreement may need revision to specify who makes these decisions.
- There are many new tax terms and concepts that will likely require you to adjust your partnership’s operating agreement.

Particularly, the new term “partnership representative” replaces the prior “tax matters partner.” The partnership representative is critical; they will act as the single point of contact between the IRS and the partnership and will have full authority to bind the partnership and the partners during an audit.

Potential opportunities and the need for planning today

Certain partnerships with 100 or fewer partners may elect out of the provisions. To do so, the partnership may make an annual “opt-out” election with their timely filed tax return (Form 1065).