

LINDSEY & WALDO

CERTIFIED PUBLIC ACCOUNTANTS

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



SPECIAL POINTS OF INTEREST:

- Where is your target?
- Where's my refund?
- Financial Threats
- Labor Day Trivia
- Referrals, call-in times, quotes
- And much more...

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Taxing Times

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

VOLUME 11, ISSUE 9

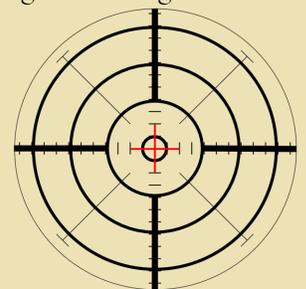
SEPTEMBER 2019

FOCUS ON YOUR TARGET

Alright, I want you to take just a moment, put down your coffee and close your eyes. Word association- I want you to say the first thing that you think about when I tell you the word and the word is "Target". Target, the word is "Target". Shoot – market - she ordered something from Target and it hasn't come – Walmart – Red - like a bull's eye. Alright, anything else? Okay, you can open your eyes.

There are lots of kinds of targets aren't there? Let's think about the kinds of targets that we shoot at for a moment, ok? Those kinds of targets come in lots of different shapes and sizes. They might be a target like the silhouette of a man that the cop shows always shoot at on their target range. It might be a faux deer that somebody is shooting at for their practice when they're bow hunting. It might be a round target with a bull's-eye in the middle. Lots of different kinds of target, lots of different shapes.

One of the things that targets all have in common, when we're talking about that kind of target, and not the store, is they're used for training and they're used for competition. Either way, or both, and any time you have a target that you're using for training or competition there is always some point on that target that's more valuable than the rest. That's the bull's-eye. Doesn't matter what shape the target is, whether it's a silhouette or whether it's just a small round circle, there is always a point that you're trying to shoot for, aim for, hit. Why is that? It's not a trick question. It's the focus, you get more benefit, you get more points, right?



The same thing is true when we talk about targets in business, when we talk about our target customer. It's really the same thing, the idea is to try to focus our attention on something very small. We could paint a target on the side of a barn, and it'd be easy to hit wouldn't it. Probably wouldn't get much in the way of points, would we? The same is true when we're talking about our target market. If we have a broad target market, what we get is a bunch of splatter from the edge. If we don't have a bull's-eye that we're aiming for, that we're shooting for, then we get all the junk around it. We don't get the most benefit.

I talked to Brian last week about target marketing. He's in casualty and life insurance and took a minute to tell me what his target market was. Any guesses? 40-year-old guy with kids, mortgage, house, hopefully he's got the house when he's got the mortgage, cars, a couple of cars. Alright. Is that defined and narrow or is that broad? That's pretty well defined. Could he define it even more? Sure. He could define it lots of ways, couldn't he? What other ways could he define that market? Occupation, income, hobbies, etc. There are lots of ways. There are also what we call psycho-graphics. A lot of what we talked about are demographics, but there are also

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psycho-graphics. They talk about personality. One of the things I find, for instance, when I look at my best clients, is a lot of 'em are conservative, white males above the age of 50. Darn, I don't know how that happened. The better you define that target market, the better you can aim for it.

A lawn service owner defined his target market by age, primarily. Are there other ways he could narrow that target market? Sure. A lot of his target market probably has to do with income as well, or at least wealth. Because if he's looking for older people, maybe they don't have a lot of income, but maybe they have wealth they can call on to pay for his services. Maybe it's even where they live.

There are lots of things that you can use to define your market, but define it, you must. Because it doesn't matter what kind of marketing you're doing, whether that's advertising, whether that's print, or online, or television, or radio, or whatever. It doesn't matter. It also applies to asking for referrals. The more defined you tell us who you're looking for, the better we can identify that person in our mind, the better we can find that person for you. 'Cause if you give us a broad target, that's what we'll hit and you won't get the most benefit out of it. The most benefit comes from narrowly defining that bull's-eye.

So, before you start that next marketing campaign, before you ask for that next referral, think about who really is your best client, your target client. It doesn't mean you don't take others. But who is gonna give you the most benefit? Who's gonna give you the most money? And that's what you need to shoot for, that's what you need to aim for, and take the rest as gravy. *

What's Taking My Refund So Long?

The Internal Revenue Service issued \$437 billion in refunds during fiscal year 2017. Not including overpayments credited to the next year. Nearly all of the refunds (98%) went to individuals. To facilitate this volume of payments, the IRS devotes a significant amount of resources. \$4 billion per year was spent between 2010 and 2016 on operations, including the systems to ensure returns are processed efficiently and refunds are issued timely.

When these systems work as planned, your refund may be issued in as little as 10 days, with most refunds paid within 21 days. The "Where's My Refund" tool provides important feedback to taxpayers to assist in accurately projecting processing times. While this tool works for many taxpayers, it does not work for all.

Refunds can be delayed for many reasons. One explanation is increased scrutiny of returns with certain refundable tax credits. The IRS is now barred from issuing a refund which includes the earned income tax credit (EITC) or the additional child tax credit (ACTC) until February 15. If even a portion of the refund is from one of these credits, none of the refund may be issued.

These credits are a rich target for individuals attempting to file fraudulent returns. So, this mandatory delay gives the IRS more time to evaluate the taxpayer's eligibility for the credit(s) before issuing the refund.

Other efforts to combat fraudulent returns may also contribute to delayed refunds. The IRS uses security filters during its tax return processing to identify suspicious refund claims. As the IRS continues to evaluate and update its processes and procedures, they have become more effective. Between 2015 and 2016, new identity theft claims decreased by 50%.

When the IRS' filters select a return for further review, the taxpayer may be sent a notice and asked to provide additional information to confirm your identity. Examples include Letters 5071C and 5447C. The delay can bring about frustration which can be compounded by the sometimes complex and confusing identity verification process of the IRS. Failure to respond, or to fully comply with the request, can extend the delay even further.

Notify us if you receive such a notice. We are here to help. *



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.

- ◆ Senior Transitions
- ◆ Carpet and Floor Cleaning
- ◆ Promotional Products
- ◆ Commercial Photography
- ◆ Chiropractor
- ◆ Financial Planner
- ◆ Mortgage Broker
- ◆ Banker
- ◆ Printer
- ◆ Welding Supplies
- ◆ Attorney
- ◆ Executive Leadership Coach
- ◆ Electrician
- ◆ Realtor
- ◆ Identity Theft Protection
- ◆ Painter
- ◆ A/C Maintenance
- ◆ Home Inspector



5 Threats to Your Financial Life

It pays to take a broad view of the risks to your financial well-being. Here are 5 of the top threats -- other than weak retirement planning, which, obviously, is a huge, complicated topic that deserves much more space than I have here.

Illness or Injury

While we would like to believe that disability "will never happen to me," it will happen to someone. Social Security Administration statistics indicate that over 25% of 20 somethings will become disabled before they retire. Injuries are actually only a small fraction of the claims. Back pain, arthritis, and other musculoskeletal disorders are the most common disabilities. Next in line is cancer.

Although the average disability lasts for over three years, fewer than half of Americans have enough liquidity to cover three months expenses. Now there's a real threat. Consider a group and/or individual disability insurance with an own occupation definition.

Market Volatility

The greatest bull market in history has blurred our memory. It was only a decade ago that the stock market crashed, losing over 50% of its value seemingly overnight. "Average" returns can be affected by the timing of both investments and distributions, especially if a down market occurs during the early stages of distributions. Consult your financial advisor for strategies to reduce that risk.

Health Care

Health insurance premiums and deductibles continue to climb sharply. A Health Savings Account (HSA) allows tax-deductible contributions and tax-free withdrawals for qualifying expenses. Long-term care insurance provides a huge what-if for retirement planning.

Lawsuits

The United States is reportedly home to 80% of the world's attorneys. Most Americans would have difficulty affording the legal fees on either side of a case. Without proper protection, the losing party could suffer financial ruin.

The first essential line of defense is legal insurance followed by liability protection on auto and homeowner's policies. An umbrella policy can extend your coverage beyond the normal limits of these coverages to add even more security.

Taxes

Everyone's favorite uncle will always be there to collect his share. Working with qualified advisors (that's us) can help you limit this burden.

Don't overlook the funding of retirement accounts in the chase to reduce current year taxes. In the long-term, this may not be a tax-savings but rather a compounding tax postponement. People often forget, or downplay, the effect income taxes will have on their retirement distributions. *

**This month's special
Member-Only call-in times for
Lindsey's Insider's Circle will be
9/16/19 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!**

"Next to being shot at and missed, nothing is really quite as satisfying as an income tax refund."

- F.J. Raymond, humorist

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.



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September 6 is
Fight Procrastination Day.
Isn't that a fight every day?

tomorrow

(noun)

a mystical land where 99% of all human productivity, motivation and achievement is stored

To be removed from our mailing list, call/email us:
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**DID YOU ENJOY YOUR
LABOR DAY WEEKEND?**

If so, thank a Union member (seriously). Labor Day, the first Monday in September, is a creation of the labor movement and is dedicated to the social and economic achievements of American workers. It constitutes a yearly national tribute to the contributions workers have made to the strength, prosperity, and well-being of our country.

Through the years the nation gave increasing emphasis to Labor Day. The first governmental recognition came through municipal ordinances passed during 1885 and 1886. From these, momentum developed to secure state legislation. The first state bill was introduced into the New York legislature, but the first to become law was passed by Oregon on February 21, 1887. During the year, four more states - Colorado, Massachusetts, New Jersey, and New York - created the Labor Day holiday by legislative enactment. By 1894, 23 other states had adopted the holiday in honor of workers, and on June 28 of that year, Congress passed an act making the first Monday in September of each year a legal holiday in the District of Columbia and the territories.

More than 100 years after the first Labor Day of observance, there is still some doubt as to who first proposed the holiday for workers. Some records show that Peter J. McGuire, general secretary of the Brotherhood of Carpenters and Joiners and a cofounder of the American Federation of Labor, was first in suggesting a day to honor those "who from rude nature have delved and carved all the grandeur we behold."

But Peter McGuire's place in Labor Day history has not gone unchallenged. Many believe that Matthew Maguire, a machinist, not Peter McGuire, founded the holiday. Recent research seems to support the contention that Matthew Maguire, later the secretary of Local 344 of the International Association of Machinists in Paterson, New Jersey, proposed the holiday in 1882 while serving as secretary of the Central Labor Union in New York. What is clear is that the Central Labor Union adopted a Labor Day proposal and appointed a committee to plan a demonstration and picnic. *

What I'm Reading...

NOW

Redemption by David Baldacci

RECENTLY

Shadow of Death by David M. Salkin
Where Was "There?": Re-exploring the biblical history of Jerusalem by David B. Carpenter



A tax loophole is "something that benefits the other guy. If it benefits you, it is tax reform."
-Russell B. Long, U.S. Senator

"Few of us ever test our powers of deduction, except when filling out an income tax form."
-Laurence J. Peter, author

"The hardest thing in the world to understand is the income tax."
-Albert Einstein, physicist