

LINDSEY & WALDO

CERTIFIED PUBLIC ACCOUNTANTS

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



SPECIAL POINTS OF INTEREST:

- Answers to being debt-free
- Don't blend in
- How to protect yourself from identity theft
- 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 9, ISSUE 3

MARCH 2017

Your Top 5 Debt Snowball Questions Answered

Dave Ramsey's 7 Baby Steps have helped millions of families over the last couple of decades. From saving that first \$1,000, to getting out of debt, to investing for the future, the Baby Steps are the best plan to help you financially get on the right track.

With that, we get questions about how the Baby Steps work all the time. The most frequent questions we get are about the Debt Snowball---Dave's famous plan from his *Financial Peace University* class to pay off debt by listing your debts in order from the smallest to largest, paying off the smallest ones first, and moving down the list from there.

So, let's address the five most frequent questions about the debt snowball method.

1. Why pay the smallest debt first instead of the one with the higher interest rate?

The point of the debt snowball is changing behavior. If you pay off a student loan first because it is the largest debt, you won't see it leave the snowball for a while. You'll see numbers going down on a spreadsheet, but that's it. Pretty soon, you'll lose steam and stop paying extra, but you still have all your debts hanging around.

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Dare to Stand Out from the Crowd

In business, doing what others don't do can often give you an edge. It can position you head and shoulders above your competition. It helps you stand out in a positive way, and when you do, people are attracted to you and your business, and your success grows stronger, deeper, and more durable.

Asking for feedback is a simple way to gather information for improving our businesses, but many of us never take the time to ask. We get so wrapped up in the day-to-day running of the business that we fail to pause and ask people, "How are we doing?" Others are simply intimidated by the process – and afraid of what they'll hear.

According to the book *The 29% Solution* by Ivan Misner and Michelle R. Donovan there are five main reasons why we don't ask for feedback: (1) we're afraid the response will be negative; (2) we don't know who to ask; (3) we don't know when to ask; (4) we don't know how to ask; (5) we don't want to take up other people's time. With all these objections, the thought of asking for feedback can give us heartburn, but it's worth the pain; the potential for growth can be tremendous.

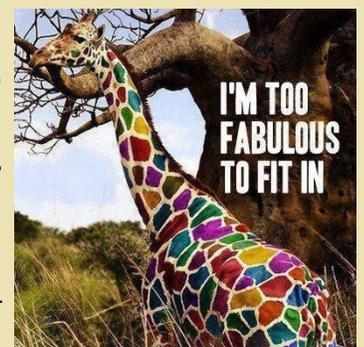
Whether positive or negative, feedback should be considered constructive, because it helps our business develop new products, improve existing services, and sometimes adopt a whole new approach.

Fear of a negative response may be what keeps many of us from asking for feedback. Nobody is eager to be criticized. But, as difficult as it to receive, negative feedback is actually a gift. It's a reality check; it reminds us that no matter how good we are, we can always improve. It's also a reminder that we can never make everyone happy. If you're willing to ask for feedback, you're going to get some negative feedback along the way. It's your attitude toward it that will turn that negative feedback into an opportunity. Don't ask for feedback unless you're ready to hear it – and respond to it constructively.

Whom should you ask for feedback? One answer is everybody. Ask your coworkers, supervisors, subordinates, partners, customers.

When is the best time to ask for feedback? That depends. A professional development trainer might ask for feedback several times. During a session, so it can be tailored,

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Your Top 5 Debt Snowball Questions Answered—*continued from page 1*

But when you ditch the small debt first, you see progress. That one debt is out of your life forever. Soon the second debt will follow, and then the next. **These little wins will give you a confidence boost**, you'll see that the plan is working, and you'll stick to it.

2. How do I know when to sell something or pay it off?

A general rule of thumb is this: If it will take you more than 18 to 24 months to be debt-free on an item, sell it. If you've got a \$500 car payment scheduled for another three years, then ditch the car. Freeing up that monthly income, plus not owing a huge car balance, will rock your world. The same rule goes for boats, rental properties, and anything other than your home.

Breaking free from these payments will **drastically change your mindset, and your wallet**, as you move toward becoming debt-free. But if you own an item that will be paid off in a few months, it's all right to keep it. Just get rid of the debt!

3. Should I keep saving for retirement while on Baby Step 2?

No. You want to commit all your energy and resources to getting out of debt while on Baby Step 2. Diverting money toward retirement means you'll stay in debt longer. Concentrate on one thing at a time.

Even if you get a company match, don't take it while you're eliminating your debts. With a cut lifestyle, extra income from a second job (if you take one), and laser focus, you'll get out of debt quickly and establish your full emergency fund. Then, you can go right back to investing. Being debt-free will more than make up for taking a year or two off of investing.

4. What if a baby is on the way?

First off congratulations! A baby is always cause for celebration. If you're expecting, stop the debt snowball and pileup cash. Keep making your minimum payments, but stock away all the remaining money. If an emergency happens and you have medical bills, you'll have the money to pay them. Once your new bundle of joy is home from the hospital and everyone is all right, then take your saved money and apply it to the debt snowball.

5. What if I get laid off from my job while paying off debt?

If you lose your job, go into survival mode. Make sure your lifestyle is slashed to the basics. Keep making your minimum payments, without putting anything extra toward the debt. Stop the debt snowball until you find work again (and get a side job, or do freelance work, until you land a full-time position with another company).

If you get severance pay, don't kick back and live off of that. Try not to touch it. Live bare-bones and hunt like crazy for work. The sooner you get a new job, the sooner that severance looks like a huge bonus that you can apply toward the debt snowball.

Hopefully, you've now got a better idea of how the debt snowball works. It truly is the best plan available for getting out of debt, because it works for everyone in every situation, and we can't wait to see how well it works for you!

Ready to get started paying off debt using the debt snowball method? *Learn how with Dave Ramsey's [Financial Peace University](#) class.*

Reprinted with permission from Dave Ramsey's blog, January 2017. Dave Ramsey is a personal money management expert, national radio show talk host, and New York Times best-selling 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 www.DaveRamsey.com. *



This month's special Member-Only call-in times for Lindsey's Insider's Circle will be 3/20/17 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!**

What I'm Reading...

NOW

No Man's Land by David Baldacci
Truth or Delusion? Busting Networking's Biggest Myths by Ivan Misner, Ph.D., Mike Macedonio and Mike Garrison

RECENTLY

Inferno by Dan Brown
The Go-Giver Leader by Bob Burg and John David Mann



YOUR PERSONAL DATA IS AT RISK: IT'S UP TO YOU TO PROTECT IT

Tax-related identity theft continues to be an ever-growing national crisis.

The Government Accountability Office (GAO) estimated that in tax year 2013, fraudulent tax refunds misdirected to identity thieves was about \$5.8 billion and impacted over 2.4 million U.S. taxpayers. Unfortunately, this fraudulent activity has continued to rapidly expand since 2013. All taxpayers must be diligent in further protecting themselves from becoming identity theft victims.

Here are some proactive steps and resources to help in your defense of tax-related identity theft. However, should you become aware that you are a victim of identity theft or that your private financial information has been compromised, please contact us immediately for additional information and assistance.

Suggestions to Protect You and Your Family from Identity Theft

Secure private personal information. Safeguard family names and birthdates, account numbers, passwords, and Social Security numbers. Carefully consider all requests to provide your Social Security number before giving it out and don't hesitate to ask why your private information is being requested. Secure your Social Security card in a safe or safety deposit box and never in your purse or wallet. Proactively shred all documents that contain personal data before disposing of them, even solicitations and "junk" mail that may unknowingly contain account numbers and personal information.

Monitor personal information shared on social media. Cybercriminals methodically gather data from online sources, including commonly used identifiers such as birthdate, maiden name, pet name, hometown, significant other, and/or children's information. Be cautious who you communicate with online and be selective before accepting electronic invitations from people you do not know or recognize. Separate what you post publicly from what you post with your personal contacts. Do not post personal and family data.

Secure your computer. Use current versions of antivirus, malware protection, and firewalls and update these programs frequently. Consider having this software updated automatically, as well as using different computers for business and finances than you do for social media and personal matters. Use strong passwords, change them frequently, and do not share them with others. Review [IRS Publication 4524, Security Awareness for Taxpayers](#), for additional tips.

Beware of impersonators. Criminals utilize sophisticated computer technology, such as dialers and automated questions, to contact thousands of targets daily. Do not provide personal information to callers you do not know. If any caller requests that you verify personal information, be extremely cautious and ask for further confirmation of their identity, such as their telephone number, website, email address, supervisor's name, and mailing address. The IRS never initiates contact by telephone.



Beware of unsolicited emails and current phishing scams. Don't open attachments or electronic links unless you know the sender. Internet sites should have a lock symbol to show the site is encrypted. Always beware of entering sensitive data. Forward emails received from IRS impersonators to phishing@irs.gov. The IRS never initiates contact by email, text message, or social media channels. For more guidance on phishing scams, go to irs.gov/uac/report-phishing.

Monitor your personal information. Review your bank and credit card statements often.

Consider electronic transmission of financial information. No sensitive tax or personal information should be sent via unsecured email, even information being transmitted to CPAs, bankers, and/or financial advisors. A secure portal, encrypted email, or physical mailing of sensitive information is necessary.

Order your free annual credit report. Call 1-877-322-8228 or go to www.annualcreditreport.com to request your report and/or search for creditors you do not know. Choose to use only the last four digits of your Social Security number on your report. Consider placing a credit card freeze on your account so only creditors you approve are allowed to access your file.

What to Do if You Become a Victim of Tax-Related Identity Theft

You may learn that your identity has been compromised by receiving a letter in the mail from the IRS. Alternatively, we may contact you when your personal income tax return is electronically filed and subsequently rejected. If you receive a notice indicating identity theft, please contact us immediately to schedule a meeting to receive assistance in taking the appropriate steps with the IRS to resolve the matter.

Other ways you may discover your identity has been stolen include:

- Finding purchases on your credit card that you did not make
- Discovering withdrawals from an account that you did not make
- Seeing that your address has been changed for certain accounts, or no longer receiving your regular bills. (Cyber criminals may change your address when filing a return.)

The unfortunate reality is that personal data is already at risk everywhere, but we will work with you to reduce the likelihood of you being victimized by cyber criminals. As your CPA and trusted advisor, we understand the need to protect your privacy and take data protection very seriously. Our security and data integrity meets the highest industry standards established by the IRS and Federal Trade Commission. We have also established protocols to guard access to client files. Please don't hesitate to contact us at (251) 633-4070 –phone / info@cpamobileal.com with questions or concerns, or if you would like to meet with us to discuss this issue or any financial or tax needs. ✪



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**Dare to Stand Out
 from the Crowd -**
continued from front cover

the end of a session, and three or four months afterwards. She'll ask different questions at different times. Someone selling a product might need to give the customer time to use it, or might not. Someone selling professional services might want to ask shortly after the services have been delivered.

What if you don't know how to ask for feedback? The easiest, and most logical, way is make it part of your sales process. Many companies use a questionnaire; some hand it out upon completion of the assignment, some e-mail it afterward, and some mail it as a follow-up in a few weeks. How you choose to do it depends on your customer base.

The last reservation that a lot of us have is that we are reluctant to take someone else's time by asking for feedback. What a cop-out. Adults have the option of saying no. It's our responsibility to ask. Increase the likelihood that you'll get useful feedback by making the request simple and timely. If it's too complicated, or if you set a hurry-up deadline, your requests may end up in the circular file. Make the deadline too far off, and people will set it aside and forget it.

I dare you – do something few others do. Stand out from the crowd. Ask for feedback. And be ready to turn it into opportunities for your business. *

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.

You'll find a list of areas in which we know very credible, ethical, and outstanding professionals to the right. 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.



- Land Surveyor
- Marketing Coach
- Pest Control
- Self Storage Warehouse
- Home Insulation
- Attorney
- Interior Shutters
- Realtor
- Financial Advisor
- Mortgage Broker
- Cultured Marble
- Printer
- Chiropractor
- Auto and Home Insurance
- Life Insurance
- Identity Theft Protection and Restoration
- Custom Embroidery and Monogramming
- Kitchen and Bath Design

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.

Thank You!!

- ~ David B. Carpenter ~
- ~ Addison Waller ~
- ~ Richard King ~