

LINDSEY & WALDO

CERTIFIED PUBLIC ACCOUNTANTS

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



SPECIAL POINTS OF INTEREST:

- Referrals
- Call-in times
- and much more...

INSIDE THIS ISSUE:

Are Your Deductions History? 1

5 Tips for Reducing Business Stress, Overspending, and Retirement Worries 1

Rubber Ducky Regatta Treats Mobilians to Food, Fun, and Festivities 2

Looking for Someone You Can Rely On? 2

Where Have All the Flags Gone? 2

Call-in Times 2

What I'm Reading... 3

Labor Day Trivia 3

Diversify Your Contacts 4

Taxing Times

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

VOLUME 10, ISSUE 9

SEPTEMBER 2018

Are Your Deductions History?

Some major changes in the tax code went into effect January 1, 2018, after Congress passed the Tax Cuts and Jobs Act last December. Among those is the loss of a category of deductions referred to as Miscellaneous Itemized Deductions Subject to the 2% Floor. This category includes, along with other things, all unreimbursed employee expenses - including travel, meals, and supplies.

Prior to this year, individuals could deduct certain miscellaneous itemized deductions to the extent that they exceeded, in the aggregate, 2% of the taxpayer's Adjusted Gross Income (AGI).

For 2018 through 2025, the deduction for miscellaneous itemized deductions that are subject to the 2% floor is suspended. Congress could, of course, elect to extend or make permanent these changes.

Certain miscellaneous itemized deductions, however, were permanently repealed, including:

- appraisal fees for a casualty loss or charitable contribution,
- casualty and theft losses from property used in performing services as an employee,
- clerical help and office rent in caring for investments,
- depreciation on home computers used for investments,
- excess deductions allowed a beneficiary on termination of an estate or trust,
- fees to collect interest and dividends,
- hobby expenses, but generally not more than hobby income,
- indirect miscellaneous deductions from pass-through entities,
- investment fees and expenses,
- loss on deposits in an insolvent or bankrupt financial institution,
- loss on traditional IRAs or Roth IRAs, when all amounts have been distributed,
- repayments of income,
- safe deposit box rental fees, except for storing jewelry and other personal effects,
- service charges on dividend reinvestment plans,
- trustee's fees for an IRA, if separately billed and paid,
- tax preparation expenses,
- unreimbursed expenses of an employee. *

5 Tips for Reducing Business Stress, Overspending, and Retirement Worries

It didn't take long for her business to go south.

Depending on your personal experience, it may, or may not, surprise you that poor recordkeeping is one of the top reasons for business failure.

She was a passionate, excited, 22-year-old, with her first business.

Taking care of billing, tracking your expenses, taxes, and other financial housekeeping can seem overwhelming, stressful, or just plain boring for new business owners.

Why was she forced to shutter the doors?

Not the reason you might expect: lack of sales.

She went out of business because she didn't keep good records. Records for taxes, budgeting, and cash flow.

Even for those who've been in business a while, it is often one of their least favorite things to do. So, it's easy to coast along thinking everything is hunky dory (that's a technical term) **Continued on page 3** ➔

Rubber Ducky Regatta Treats Mobilians to Food, Fun, and Festivities

Mobile's second annual Rubber Ducky Regatta made a splash on the Mobile River by dropping 10,000 rubber ducks into the river at Cooper Riverside Park on August 25, 2018.

The "adopted" duckies raced to the finish line and the winning ducky's lucky adopter won the grand prize of a Carnival® Cruise out of Mobile. All proceeds benefited the Ronald McDonald House Charities® of Mobile.



The Ronald McDonald House® provides a "home away from home" for families while their child is being treated at local Mobile hospitals. In the last 18 years, Ronald McDonald House® in Mobile has served nearly 8,000 families from around the Gulf Coast, across the country, and around the world.

The family-friendly fun schedule included face painting, princess appearances, sweet treats from Frios Pops®, Kona Ice®, and Cammie's Old Dutch, snacks from Chubby's Hot Dog stand, and a special performance from Joe Jefferson Player's *Mamma Mia!*

To contribute to the Ronald McDonald House Charities®, visit <https://rmhcmobile.org/>. *

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.

- ◆ Custom Monogramming and Embroidery
- ◆ Identity Theft Protection
- ◆ Roofing
- ◆ Welding Supplies
- ◆ Realtor
- ◆ Cell Phone Repair
- ◆ Office Furniture
- ◆ Insurance
- ◆ Printer
- ◆ Mortgage Broker
- ◆ Banker
- ◆ Attorney
- ◆ Air Conditioning Repair
- ◆ Financial Advisor
- ◆ Business Coach
- ◆ Veterinarian
- ◆ Electrician
- ◆ Promotional Products



Where Have All the Flags Gone?

I doubt few of us can forget where we were 17 years ago when the attacks began on the morning of September 11, 2001. That horrible, tragic day is forever etched in my memory.

Patriot Day is observed in remembrance of the nearly 3,000 people who lost their lives that day. On that day, two hijacked airplanes were deliberately crashed into the Twin Towers of the World Trade Center in New York City. A third hijacked airplane crashed into the Pentagon and a fourth crashed into a Pennsylvania field before hitting its suspected target, the White House.



Like the unprovoked attack on Pearl Harbor that brought us into World War II, the 9-11 attacks ushered us into a new war... the war on terrorism. It also touched and changed the lives of each and every American forever.

In the days, weeks, and months following 9-11, the U.S. was bathed in American flags as citizens mourned the incredible losses and stood shoulder-to-shoulder against terrorism. Sadly, many of the flags have disappeared. Our patriotism has pulled us through some tough times and it shouldn't take another attack to galvanize our solidarity. Together we can prevail over terrorism of all kinds. *

This month's special Member-Only call-in times for Lindsey's Insider's Circle will be 9/17/18 from 2:00 to 4:00 pm. To schedule your appointment, contact us at (251) 633-4070.

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

5 Tips for Reducing Business Stress... - continued from page 1

until WHAM, all of the sudden you discover sales are down by twenty percent and expenses are up by fifteen.

Getting, and keeping, your financial house in order makes things not only less stressful, but can help ensure that you don't overspend and that you have enough money for your savings, investments, and retirement.

Here are five tips for reducing stress, overspending, and retirement worries:

- 1) **Get some advice.** I know, I know, it sounds self-serving, but, if you've never been in business for yourself, or if you struggle with managing your finances, get some advice. It could be the smartest investment you make in your business, and one that could prove crucial to your survival.
- 2) **Create a budget.** Yes, I know it's not exciting or sexy. You want to get out there and sell, or do, or make whatever you started your business to do. But, IT IS NECESSARY! Be very conservative. Plan for the worst-case scenario, not the best.
- 3) **Track everything.** Keeping track of income, expenses, invoices, past due customers, estimated taxes, payroll, etc. can feel daunting at times, but not doing it can lead to financial ruin or legal hot water. There are plenty of financial tools out there. The QuickBooks® you're already using can be used as a dashboard if you keep it up to date.
- 4) **Put aside money with every deposit.** Put aside a portion of every deposit you make for savings, taxes, and charitable contributions. There are more reasons than I have room to address why you should save for a rainy day. Included are some real psychological benefits for doing so.
- 5) **Plan for your retirement.** When you are a small business owner, there is no one else to fund your retirement. Even if you're 22 years old and passionate when you start, that's not necessarily going to provide you retirement funds when you're 72. Setting up a retirement plan can also shelter some of your business profits. Start with an IRA then graduate to a SIMPLE plan or Keogh.

Integrate these tips into your business and you'll find it easier to get and keep your financial house in order, making your business less stressful. *

Though I'm leaving by choice to explore new challenges, it is bittersweet that after 10 ½ years my time with Lindsey & Waldo has ended. It's been a great pleasure working alongside Richard and Paula for this time. I've learned so much and am thankful for all the opportunities they've afforded me.

I've also thoroughly enjoyed getting to know and help you all throughout the years. We've shared so much history and so many life events. I will treasure the memories and bonds made during my time here.

I know I'm leaving you in very capable hands and I have no doubt that Lindsey & Waldo will continue in their excellence.

Best of luck to you all. Farewell!

Kristen Davis

"How lucky I am to have something that makes saying goodbye so hard."



What I'm Reading...

NOW

Orphan X by Gregg Hurwitz
Five Stars: The Communication Secrets to Get from Good to Great by Carmine Gallo

RECENTLY

Special Operations: Grant's War by Eric Meyer
Find Your Why by Simon Sinek



Labor Day Trivia

The first Labor Day observance was a parade on September 5, 1882. Sponsored by the Central Labor Union, ten thousand workers paraded through New York City.

The Labor Day rally was an attempt to gain support for a reduction in, the then standard, 12 hour workday.

Grover Cleveland made establishing Labor Day as an official national holiday a part of his political campaign. In 1894, he made good on the promise and signed a law designating the first Monday in September as Labor Day.

In 1955, the very first Waffle House® opened its doors to the public on Labor Day. Since then, Waffle House® has served nearly 900 million waffles from over 1,600 locations.

These days, Americans by the millions celebrate Labor Day as the unofficial end of summer with backyard barbecues or a trip to the beach. Millions more will opt to take advantage of Labor Day sales at stores coast to coast or online.

AND... are you ready for some football? The first official NFL kickoff game is played on the first Thursday after Labor Day.



LINDSEY & WALDO, LLC
CERTIFIED PUBLIC ACCOUNTANTS

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

PRSR STD
U.S. POSTAGE
PAID
PERMIT NO. 435
MOBILE, AL

September 26 is National Pancake Day



To be removed from our mailing list, call/email us:
(251) 633-4070 or info@CPAMobileAL.com.

DIVERSIFY YOUR CONTACTS

It's been said that most people know between two and three hundred people. Isn't that plenty for a network? A major key to building a powerful business network is diversity. Yet, it's natural for us to be attracted to people much like ourselves. We tend to hang out with others in our age group, our income, our social status. People with our interests.

The problem is that when you surround yourself with similar contacts, you may find it hard to connect with new people or companies you want to do business with. The more diverse your business network, the more different groups you might have connections into. Linchpins that link people together in ways you never would have thought about. When it comes to business networking, you never know who people know.

In *The 29% Solution* Dr. Ivan Misner, the founder of Business Network International (BNI)[®], talks about one of the most profitable referrals BNI[®] has ever seen. It was passed by...are you ready for this...

a Mary Kay[®] consultant!

It seems the Mary Kay[®] consultant was giving a facial at a woman's home in West Los Angeles. As the consultant worked, the customer's husband walked by several times with a sheet of paper, grumbling and cursing under his breath. Finally his wife asked, "What's wrong honey?"

The husband said, "I gotta fire this graphic design outfit. They're doing a horrible job. The problem is, I need someone to take over the project quickly."

Hearing this, the Mary Kay[®] consultant turned to the woman's husband and said, "Gee, I know a great graphic designer. I think I have his card right here." She opened her business card file, "I'm going to see him tomorrow morning. Would you like me to give him your card and have him call you?"

"Absolutely!," replied the husband.

The Mary Kay[®] consultant made the connection and the graphic designer got the job. Here's the kicker: the husband was a movie producer. The graphic design work was for a new movie. The referral turned into a six-figure contract, and the designer did such a great job that he got the producer's next movie project as well.

The moral here, is that you never know who "they" know.

If you wish to build a powerful business network, you'll need to build one that includes people who don't look like you, sound like you, speak like you, or share your background, education, or history. The only thing they should have in common with you is that they should be really good at what they do. Create a network like that, and you'll have a network that can help you succeed at anything. *

