

LINDSEY & WALDO

CERTIFIED PUBLIC ACCOUNTANTS

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



SPECIAL POINTS OF INTEREST:

- Are you equipped to use the tool?
- Tax ID Theft Protection App
- Trivia, quotes, funnies, and more...

INSIDE THIS ISSUE:

6 Reasons Small Business Owners Should Hire a CPA	1
Alabama Leads the Way in Combating Tax Identity Theft	1
11 Attributes of Our Most Financially Secure Clients	2
Call-in Times	2
We Believe in Referrals	2
April Holidays	3
What I'm Reading...	3
Is Your Procrastination Because You're Actually Very Smart?	4

Taxing Times

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

VOLUME 11, ISSUE 4

APRIL 2019

6 Reasons Small Business Owners Should Hire a CPA

This is a tool I purchased on the internet for \$19.95.

In case you don't recognize this cringeworthy device, it's an ~~old English torture device~~ orthopedic bone saw.



Self-surgery is for TV.

In TV and film, they sometimes establish the badass credentials of a character by having him perform self-surgery. Usually it involves the character sewing himself up, pulling out his own bullet, or cauterizing his own wound with an implement right out of the fire. Naturally, the character feels no pain. Really?

Of course, it's also self-surgery when you use a needle and a pair of tweezers to pull a splinter out of your own finger. Most people can do that. Simple!

The same is true for self-preparation of a tax return. If it's a simple tax return, do-it-yourself online tax programs are fine. But, for individuals with multiple employers, multiple state returns, income from businesses, interest, dividends, and/or capital gains, the expertise of Lindsey & Waldo will save time and money.

Just because you can go out and buy the tool doesn't mean you should be using it.

Taxes are complex.

Even seemingly simple situations can have complex tax returns. If the person owns a business, has children, is recently divorced, earns income from another state, and/or receives a Form 1099, there are special requirements when filing a tax return.

Adding to the complexity are the new tax laws, the most

Continued on page 3 ➔

Alabama Leads the Way in Combating Tax Identity Theft

IDEMIA™, the global leader in Augmented Identity™ and the Alabama Department of Revenue (ADOR) broke new ground last year in combating tax theft. Alabama became the first state in the nation to have a full-scale deployment of the recently renamed IDEMIA eID app, which provides all Alabama taxpayers the ability to protect their identity and combat state income tax fraud.

The IDEMIA eID app enables users to securely protect their identity, verify their tax return, and, on average, obtain their refund an estimated 60 percent faster than taxpayers not using the app.

With the free IDEMIA eID app, Alabama taxpayers use a selfie and their driver's license or state ID card to be digitally authenticated by the Alabama Law Enforcement Agency. After using their eID to opt-in, ADOR notifies taxpayers when a return is filed by sending a notification through the eID app. The app will allow the taxpayer to securely verify if they filed the return or decline the transaction because it is fraudulent.

"IDEMIA has been an outstanding partner in our efforts to continuously improve our service to Alabama taxpayers through the IDEMIA eID app, which prevents a fraudulent state tax return from being processed in a taxpayer's name," said Vernon Barnett, Alabama Revenue Commissioner. "We're thrilled to deliver an enhanced IDEMIA eID app for our taxpayers, providing them identity protection and priority processing to get refunds faster."

The app is available for download in Apple's App Store and in the Google Play Store for Android users. For more information on the IDEMIA eID app, go to www.alabamaeid.com. *

11 Attributes of Our Most Financially Secure Clients

If you pay attention to the news media, a few things become clear:

- 1) Chaos is coming;
- 2) Chaos is already here; and
- 3) Did we mention anything about the chaos?

It's true (and a very good reason to carefully monitor your media intake). So, becoming a household that will be able to ride through instability and uncertainty is a pretty essential component for life success.

Which is why I'd like to tell you about our clients who have prepared themselves well. I'm not naming any names here, but I am interested in commonalities. And you'll notice that these are just as significantly about your mindset as you relate to your finances, as about your behaviors.

Here's what we have learned about our most financially-secure clients:

- 1) **He always spends less than he earns.** In fact, his mantra is that over the long run, you're better off if you strive to be anonymously rich rather than deceptively poor.
- 2) She knows that patience is truth. The odds are you won't become a millionaire overnight. If you're like her, your security will be accumulated gradually, by diligently saving your money over multiple decades.
- 3) He pays off his credit cards in full every month. He's smart enough to understand that if he can't afford to pay cash for something, then he can't afford it.
- 4) **She realized early on that money does not buy happiness.** If you're looking for financial joy, you need to focus on attaining financial freedom.
- 5) He understands that money is like a toddler; it is incapable of managing itself. After all, you can't expect your money to grow and mature as it should without some form of credible money management.
- 6) She's a big believer in **paying yourself first**. It's an essential tenet of personal finance and a great way to build your savings and instill financial discipline.
- 7) She also knows that the few millionaires that reached that milestone without a plan got there only because of dumb luck. **It's not enough to simply "declare" to the universe that you want to be financially free.** This is not a "Secret".
- 8) When it came time to set his savings goals, he wasn't afraid to **think big**. Financial success demands that you have a vision that is significantly larger than you can currently deliver upon.
- 9) He realizes that stuff happens, and that's **why you're a fool if you don't insure yourself against risk**. Remember that the potential for bankruptcy is always just around the corner and can be triggered from multiple sources: the death of the family's key breadwinner, divorce, or disability that leads to a loss of work.
- 10) She understands that time is an ally of the young. She was fortunate (and smart) enough to begin saving in her twenties, so she could take maximum advantage of the power of compounding interest on her nest egg.
- 11) He's not impressed that you drive an over-priced luxury car and live in a McMansion that's two sizes too big for your family of four. Little about external "signals" of wealth actually matter to him.

And a little bonus, if you will: She doesn't pay taxes which could have been avoided with a simple phone call to her tax professional. She gets the advice, guidance, and expert assistance of a professional, and doesn't waste her time trying to learn the tax code as well as those who have put in thousands of hours of their life to do so. If you're not already there, I hope you join these ranks in future years.

*"A photograph is usually looked at, seldom looked into." - Ansel Adams **

This month's special Member-Only call-in times for Lindsey's Insider's Circle will be 4/22/19 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!

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 products or services.

- ◆ Identity Theft Restoration
- ◆ Banker
- ◆ Massage Therapist
- ◆ Welding Supplies
- ◆ Printer
- ◆ Realtor
- ◆ Business Insurance
- ◆ Attorney
- ◆ Life Insurance
- ◆ Travel Agent
- ◆ Home Insulation
- ◆ Custom Embroidery and Monogramming
- ◆ Financial Advisor
- ◆ Bulk Port Facility
- ◆ Veterinarian
- ◆ Remodeler
- ◆ Health Coach
- ◆ Barber



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. *

6 Reasons Small Business Owners Should Hire a CPA — *continued from page 1*

comprehensive tax overhaul in 30 years. The changes affect everyone. The small business owner needs someone like Lindsey & Waldo who has “seen it all before” and keeps up with tax law changes.

Do-it-yourself software doesn’t always have the answers. Just because you can go out and buy the tool doesn’t mean you should be using it.

Time is money.

While the fee for a self-prepared tax return online may be \$150 or less, many do-it-yourself filers spend an inordinate amount of time on it. The time spent preparing your own tax return may be more painful than using this tool on yourself. According to the IRS, the average person spends 13 hours preparing their return. Using a professional can reduce the time to what it takes to gather the tax documents and forward them to our office. If your time is better spent with family, friends, or even binge-watching TV during the early days of spring, then using Lindsey & Waldo can make for sunnier, and more profitable, days.

Just because you can go out and buy the tool doesn’t mean you should be using it.

Lindsey & Waldo can save you real money.

According to a 2017 survey by the National Society of Accountants, the average cost for professionally prepared federal and state tax returns was \$273. Add a Schedule C for business income and the cost increases \$184. In addition to saving you hours and hours of painfully boring and perilous tax guessing, Lindsey & Waldo also know what’s deductible and what’s not and the best way to keep track of it. Even if you earn a little money on the side, Lindsey & Waldo may be able to find you deductions or credits that will more than pay for our services. To top it off, the cost of bone saws, as well as the cost of having your taxes profes-

sionally prepared, are qualifying business deductions.

Just because you can go out and buy the tool doesn’t mean you should be using it.

Mistakes will cost you.

Studies show self-prepared tax returns contain more mistakes... and they can cost you big time. I’ve seen self-prepared returns with all kinds of mistakes; deductions entered on the wrong form, expenses deducted twice, income left off. All of these leave the taxpayer open for audits and liable for past taxes, interest, and penalties. For errors the IRS believes are not accidental, taxpayers can face huge fines and even criminal charges. The best way to make sure your return is done right is to use a professional at Lindsey & Waldo that lives and breathes taxes every day of the year. Or at least more frequently than you do.

Don’t make mistakes that could cost you an arm or a leg. Just because you can go out and buy the tool doesn’t mean you should be using it.

Peace of mind is worth it.

Remember the last time you finished your taxes, pleased with the refund, but less than confident in the accuracy of the return? Did that particular deduction or credit really apply to you? The only people that look forward to an IRS audit are IRS auditors and the best way to avoid their scrutiny is to make sure your return is done right. The best way to do that is to use a professional at Lindsey & Waldo that lives and breathes taxes every day of the year. Or at least more frequently than you do. There’s no guarantee you won’t get audited, but if you do, we’ll be there to stand between you and the IRS.

Just because you can go out and buy the tool doesn’t mean you should be using it. *

April Holidays

In case you didn’t know it, April begins with April Fool’s Day (April 1), and ends with Honesty Day (April 30). But sandwiched in between are Tax Day (April 15) and a bounty of, perhaps other lesser known, observances:

- National Sourdough Bread Day – April 1
- Tater Day (Sweet Potatoes) – April 1 (First Monday in April)
- National Peanut Butter and Jelly Day – April 2
- National Chocolate Mousse Day – April 3
- National Burrito Day – April 4
- National Deep Dish Pizza Day – April 5
- National Caramel Popcorn Day – April 6
- Coffee Cake Day – April 7
- Grilled Cheese Sandwich Day – April 12
- Plum Pudding Day – April 21
- National Cherry Cheesecake Day – April 23
- National Pigs-in-a-Blanket Day – April 24
- National Shrimp Scampi Day – April 29

No foolin’!

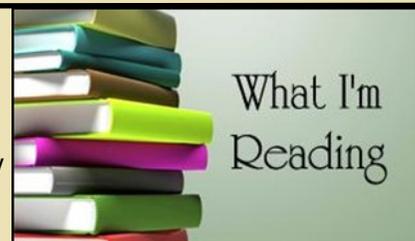
What I’m Reading...

NOW

The Enemy of My Enemy by W.E.B. Griffin and William E. Butterworth, IV
Talk Triggers by Jay Baer and Daniel Lemin

RECENTLY

Twist and Turn by Tim Tigner
Who’s in Your Room?: The Secret to Creating Your Best Life by Ivan Misner, Ph.D., Stewart Emery, L.H.D., and Rick Sapiro



“It’s income tax time again, Americans: time to gather up those receipts, get out those tax forms, sharpen up that pencil, and stab yourself in the aorta.”
 -Dave Barry

“If your biggest tax deduction was bail money, you might be a redneck.”
 - Jeff Foxworthy



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

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

Don't Forget—April 15th!



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

Is Your Procrastination Because You're Actually Very Smart?

Still haven't filed your taxes yet?

Or maybe you have already done so, but there is another difficult or cumbersome task you're avoiding.

Well, it could be that you are, in fact, smarter than the average bear.

You see, right now there are an infinite number of things you could be doing. No matter what you work on, you're not working on everything else. So, **the question is not how to avoid procrastination, but how to procrastinate well.**

In my view, there are three kinds of procrastination. Depending on what you do instead of working on something, you could work on:

- (a) nothing,
- (b) something less important, or
- (c) something more important.

That last type, I'd say, is good procrastination.

This is the kind of procrastination practiced by the "absent-minded professor" type, who forgets to shave, or eat, or even perhaps look where he's going while he's thinking about some interesting question. His mind is absent from the everyday world because it's hard at work in another.

That's the sense in which the most impressive people I know are all procrastinators. They're type-C procrastinators: they put off working on small stuff to work on big stuff.

What's "small stuff?" Roughly, work that has no chance of being mentioned in your obituary. It's hard to say at the time what will turn out to be your best work (will it be your thesis for your PhD,

or that detective thriller you worked on at night?), but there's a whole class of tasks you can safely rule out: shaving, doing your laundry, cleaning the house, writing thank-you notes—anything that might be called an errand.

Good procrastination is avoiding errands to do real work.

Good in a sense, at least. The people who want you to do the errands won't think it's good. But you probably have to annoy them if you want to get any real work done. The mildest-seeming people, if they want to do real work, all have a certain degree of ruthlessness when it comes to avoiding errands.



Some errands, like replying to emails, go away if you ignore them (perhaps taking friends with them). **Others, like mowing the lawn, or filing your tax returns, only get worse if you put them off.** In principle, it shouldn't work to put off the second kind of errand. You're going to have to do whatever it is eventually. Why not (as past-due notices are always saying) do it now?

The reason it pays to put off even those errands is that real work needs two things errands don't: big chunks of time, and the right mood. If you get inspired by some project, it can be a net win to blow off everything you were supposed to do for the next few days to work on it. Yes, those errands may cost you more time when you finally get around to them. But if you get a lot done during those few days, you will be net more productive.

So here's where we come in.

Consider us "The Ultimate Procrastination Solution".

Allow us to take the pain away from these second-level tasks (like getting your return filed) -- and you go back to writing that killer novel. *