

LINDSEY & WALDO

CERTIFIED PUBLIC ACCOUNTANTS

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



SPECIAL POINTS OF INTEREST:

- More Covid-19 Guidance
- Referrals
- Wacky holidays
- Reviews
- Quotes
- Thank yous and more...

INSIDE THIS ISSUE:

SBA says PPP Recipients Can Apply for Early Loan Forgiveness	1
Make America Solvent Again	1
Looking for Someone You Can Rely On?	2
Call-in Times	2
Need an Emergency Withdrawal from Your Retirement Plan?	3
What I'm Reading...	3
Celebrate!	4
Thank You	4

Taxing Times

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

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SBA says PPP Recipients Can Apply for Early Loan Forgiveness But your banker may not.

Paycheck Protection Program (PPP) guidance released June 22, 2020, declares that PPP recipients can apply for loan forgiveness early, but that doing so could cost them money.

In the interim final rule, the Small Business Administration (SBA) addresses a number of issues related to the PPP, including:

- Expanding to 24 weeks, from 8 weeks, the covered period during which PPP funds can be spent on expenses which qualify for loan forgiveness.
- Lowering from 75% to 60% the portion of the PPP funds which must be used on payroll costs to qualify for full forgiveness.
- Expanding the term for new loans from two years to five. Borrowers with loans received before June 5 can extend their loan terms to five years with lender approval.

Under the new interim final rule, if a borrower applies for loan forgiveness before their covered period expires and has reduced any employees' salaries or wages by more than the 25% allowed for full forgiveness, the borrower must account for the excess salary reduction for the eight-week or 24-week covered period, whichever applies to the loan.

Under that guidance, borrowers that apply early for loan forgiveness forfeit a safe-harbor provision allowing them to restore salaries or wages by December 31, 2020, and avoid reductions in the loan forgiveness they receive. For example, if a borrower has a 24-week period that ends in November, but wants to apply for forgiveness in September, any wage reduction in excess of 25% as of September would be calculated for the entire 24-week period, even if the borrower restores salaries by December 31.

Congress created the PPP as part of the \$2 trillion CARES Act. The legislation authorized Treasury to use the SBA's 7(a) small business lending program to fund forgivable loans of up to \$10 million per borrower that qualifying businesses could spend to cover payroll, mortgage interest, rent, and utilities.

There have been 4.9 million PPP loans made at an average of \$100,000 each. *

Make America Solvent Again

The United States has a problem. The national deficit and debt are on a runaway course and heading straight toward financial ruin. The main contributors to this problem are Social Security, Medicare, and Medicaid. What can be done to make America solvent again?

Plan For America (PFA) is a comprehensive solution to America's entitlements funding crisis as well as a remedy for our suffocating national debt. PFA establishes a trust where individuals contribute to their own market participating retirement accounts. It also re-vamps how we fund healthcare. PFA solves the national funding crisis by removing entitlements from the Federal Government's control and responsibility.

Save Our Retirees

Continued on page 2 ➔

Make America Solvent Again—continued from page 1

Today's young workers have no faith that they will ever collect any Social Security or Medicare benefits. Plan For America (PFA) changes that perspective. The failing pay-as-you-go system of today will be changed to a fully self-funded plan. Each PFA participant in exchange for their payroll tax equivalent contribution will receive a benefit that will, at a minimum, be guaranteed to be at least the level of Social Security, but in most cases will be far greater, and will be able to be passed on to beneficiaries upon death.

Fix Our Healthcare

Today's healthcare system is a disaster. Costs are rising and the social programs, Medicare & Medicaid, are bankrupting the nation. PFA will solve this dilemma with individual comprehensive healthcare insurance for every American over the age of 26. It will be made affordable for those with lower incomes via interest-free loans through the PFA trust; these loans will be repaid out of the excess returns on the participant's retirement account or from their account after death.

*Excerpted with permission from "The Plan For America: How to Place the American Dream on a Sure Foundation Forever" by Terry Nager, Eric Nager, and Kyre Lahtinen. For more information, go to www.planforamerica.us. **

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.

- ◇ Port Facility
- ◇ Bathroom Remodeling
- ◇ Identity Theft Protection and Restoration
- ◇ Custom Embroidery and Monogramming
- ◇ Medicare Supplements
- ◇ Home Repairs
- ◇ Auto and Home Insurance
- ◇ Mosquito Control
- ◇ Home Inspector
- ◇ A/C Repair and Replacement
- ◇ Senior Relocation
- ◇ Banker
- ◇ QuickBooks® Advisor
- ◇ Realtor
- ◇ Printer
- ◇ Financial Advisor
- ◇ Advertising Specialties
- ◇ Electrician



"The American, by nature, is optimistic. He is experimental, an inventor and a builder who builds best when called upon to build greatly." - John F. Kennedy

"The essence of America—that which really unites us—is not ethnicity, or nationality, or religion. It is an idea—and what an idea it is: that you can come from humble circumstances and do great things. That it doesn't matter where you came from, but where you are going." - Condoleezza Rice

This month's special Member-Only call-in times for Lindsey's Insider's Circle will be 8/17/20 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!

I really appreciated how easy it was to get connected. We came in for an appointment, explained our situation: Just moved from a different state, bought a house, bought a vehicle, two-income married household with both spouses working in different states, side gig income...all the things that make it difficult to file taxes ourselves!

You took all the paperwork we had, let us know what we were missing, and knocked it out of the park for us in a *very* short time.

~ Aaron and MaryEllen Cottle

So glad I made a change. Paula and Kristen are absolutely wonderful! I know when I call with a question, they make me feel like I am the only customer/client you and Paula have. It is great to have people that can make you feel like that even when you know they are snowed under. Questions are answered, response is great, and they are very knowledgeable. Paula took me under her wing made me feel comfortable. If I had to rate "Lindsey & Waldo, LLC" from 0-10 it would be a 15! Thank you for being there. ~ Jean Meyer

Paula was a JOY to work with. She was so sweet and helpful. My mother was filing as a fully disabled individual this year for the first time and was unsure of a lot of how filing taxes would be for her. Mrs. Waldo was there through the entire thing and she made sure all our questions were answered. She was lovely to speak to and was very quick with getting our taxes completed! My mother and I were both thoroughly impressed, and we can't wait to continue to work with her, and your company, for many years to come! Thank you! ~ Jessica Head

Need an Emergency Withdrawal from Your Retirement Plan?

The CARES Act May Provide Some Relief

Even when you're out of work and need some money, your retirement plan should be the source of last resort. Normally, early withdrawals (before age 59 ½) get slapped with a 10% penalty on top of income taxes.

If you've suffered a negative impact from the pandemic, temporary changes under the CARES Act may give you more flexibility to take an emergency withdrawal, or loan, from tax-deferred retirement accounts in 2020.

Under the CARES Act, qualified individuals may treat distributions from their eligible retirement plans (including IRAs) up to \$100,000 as coronavirus-related distributions. Distributions must be made between January 1 and December 31, 2020. A coronavirus related distribution is not subject to the 10% early withdrawal penalty. In addition, a coronavirus related distribution can be included in income in equal installments over a three-year period. An individual can also repay the coronavirus related distribution to the plan, or IRA, within three years and undo the tax consequences of the distribution.

The CARES Act also provides that plans may suspend loan payments for qualified individuals that are due between March 27 and December 31, 2020. The dollar limit on loans is raised from \$50,000 to \$100,000 for loans made between March 27 and September 22, 2020.

The definition of a qualified individual has been expanded under the CARES Act to take into account additional factors such as a reduction in pay, rescissions of job offers, and delayed start dates with respect to an individual, as well as adverse COVID-19 consequences on the individual's spouse or family member.

As expanded, a qualified individual is anyone who:

- Is diagnosed, or whose spouse or dependent is diagnosed, with COVID-19; or
- Experiences adverse financial consequences as a result of the individual, the individual's spouse, or a member of the individual's household:
 - Being quarantined, being furloughed or laid-off, or having work hours reduced due to COVID-19,
 - Being unable to work due to a lack of childcare due to COVID-19,
 - Closing or reducing hours of a business that they own, or operate, due to COVID-19,
 - Having pay or self-employment income reduced due to COVID-19, or
 - Having a job offer rescinded, or start date for a job delayed, due to COVID-19.



Employers can choose whether to implement these changes, but a qualified individual can claim the tax benefits of coronavirus related distributions rules even if plan provisions aren't changed.

Employers, financial institutions, and individuals should refer to Internal Revenue Service Notice 2020-50 for more details about how the CARES Act rules for coronavirus related distributions and loans from plans apply. *

I get sad every
time I hear a
person say, "I
don't read." It's
like saying "I
don't learn," or
"I don't laugh,"
or "I don't
live."

What I'm Reading...

NOW

Without Sanction by Don Bentley
Paychecks and Playchecks: Retirement Solutions for Life by Tom Hegna

RECENTLY

The Murder of Roger Ackroyd by Agatha Christie
The Crimson Cowboy by Sherman Williams



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Friday, August 7 is International Beer Day



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

CELEBRATE!!

Did you know *Presidential Joke Day* is August 11th? Presidents need to have a sense of humor too, and while many may naturally believe this is a day to make jokes about the president, the reverse is actually true.

On August 11, 1984, just before his regular Saturday radio address, President Ronald Reagan was doing a voice test with the microphone. He thought the microphone and the feed was not live. He joked into the microphone: "My fellow Americans, I am pleased to tell you that I just signed legislation which outlaws Russia forever. The bombing begins in five minutes." Surprise! He was speaking to a live feed.

This incident led to the creation of "Presidential Joke Day." However, I'm not sure the American press wants our presidents to make a habit to perform jokes on this, or any other day.

For the rest of us there is *National Tell a Joke Day* on August 16th. No, I'm not kidding.

No doubt, it should be a fun-filled day full of laughter. To fully participate and enjoy this day, just tell some jokes. You can do it in person, or even (on this day only) pass along a few humorous emails. That's easy enough to do. The more jokes you tell, the more fun this day will be. Just remember, for everyone to get into the act, and tell a joke, someone must listen.

There are a lot of reasons to celebrate. There are bizarre and unique holidays each and every month. These are courtesy of holidayinsights.com. *

Thank You

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. Our referrals are our greatest compliment.

- Neal Gaudet ~ Joanne Ankerson
- Brenda Beverly ~ Brett Garrick
- Keri Underwood ~ Ann Godfrey
- Aida Guarino ~ Colby Shinn
- Terri Harris ~ Charles Swaim
- Harvey & Phyllis Langham
- Chadwick Jackson ~ William Kemp
- Faye Wilkins ~ Clifford Hudson
- Heather Gibson ~ Eric Cromwell
- Andrew Smith ~ Carl Dekle
- Rick & Karen Twilley ~ Mike McNair

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