

LINDSEY & WALDO

CERTIFIED PUBLIC ACCOUNTANTS

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



SPECIAL POINTS OF INTEREST:

- Creating financial independence
- Check your mail
- Tending to your pasture
- Updated mileage rate
- Referrals, quotes, call-in times, and more...

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

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How to Create -- and Keep -- Personal Independence

In our digitally saturated age, it takes somebody with an iron will to not be affected by the environment around us. There is a sense of impending doom among some of my clients, a weight of cultural fissure and confusion. More and more think pieces are bubbling up about the possibility of open societal conflict.

These are not happy thoughts.

This might also cause us to feel that the events we celebrated this month on July 4th are in the very (very) distant past.

But, I still believe that, seen in light of the circumstances of our time, the Declaration of Independence was a bit of a miracle. It was an act of incredible bravery by many people who had plenty to lose by adding their names to it.

With all of our flaws as a nation, the notion of a country founded upon *principles* (however poorly executed, both then and now) was a significant innovation and rightly worth tossing rockets into the air to celebrate and honor.

But, as we all know ... "independence" is not something that we can always count on. It must be protected.

And, I am not talking about our nation anymore ... I'm talking about YOU.

Often, as we strive to keep our heads above water in these culturally crazy times, it's easy to lose sight of why we're all working hard each day. What is the goal? What is it we're trying to accomplish by earning wealth? For me -- and for many others -- the answer is cashflow independence.

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Don't Ignore Mail from the IRS

IRS Tax Tip 2022-62

At this time of year, the IRS mails notices to taxpayers regarding their recently filed returns. Notices are sent for a variety of reasons that don't involve collection, so there's no need for a taxpayer to panic.



IRS correspondence. The IRS will mail a letter, or a notice, to a taxpayer if there is something wrong with the taxpayer's return, or if the agency needs more information about the return or the person who filed it. The IRS will also send the taxpayer a notice if it changes the taxpayer's return.

If a taxpayer receives mail from the IRS, they should open it and read it carefully.

Don't ignore the mail. Taxpayers should never ignore mail from the IRS. The notice, or letter, will explain why the IRS is contacting the taxpayer and will tell the taxpayer what they need to do.

Don't panic. Taxpayers should read the notice, or letter, carefully and follow the included instructions. For example, if the IRS changed the taxpayer's return, the taxpayer should compare the information in the notice, or letter, with the information on their filed return. Generally, if the taxpayer agrees with the changes the IRS made, they don't need to contact the IRS.

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Don't Ignore Mail from the IRS—*continued from page 1*

Timely respond to the notice or letter. A taxpayer should promptly respond to any notice, or letter, from the IRS that requires a response. By responding quickly, the taxpayer will:

1. avoid delays in processing their tax return.
2. minimize any additional interest and penalty charges.
3. preserve their rights to appeal changes they don't agree with.

Note: The faster the IRS can process a return that includes an overpayment, the faster the taxpayer gets their refund.

Amount due notices. If a taxpayer receives a balance-due notice, the taxpayer should pay as much as they can, even if they can't pay the full amount due. The IRS has a variety of ways to pay, and most taxpayers should be able to use the self-help tools on IRS.gov to set up a payment plan.

Keep a copy of any IRS correspondence. Taxpayers should keep a copy of all notices, or letters, with other tax records.

When calling the IRS. If a taxpayer must contact the IRS by phone, they should use the phone number in the upper right-hand corner of the notice. The taxpayer should have a copy of their tax return and the notice, or letter, when calling.

Typically, taxpayers only need to contact the IRS if:

- they don't agree with the changes the IRS made to their return,
- the IRS requests additional information from the taxpayer, or
- the taxpayer has a balance due and can't pay.

Taxpayers can also write to the agency at the address on the notice, or letter. Taxpayer replies are worked on a first-come, first-served basis and will be processed based on the date the IRS receives it.

Of course, if you'd like help understanding or responding to a tax notice, we are here for you. ✧

Acres of Diamonds

by: Earl Nightingale

Richard's Note: The following is one of my favorite Earl Nightingale stories. I first discovered it on a cassette tape driving around in my car in the 70's or 80's. Believe me, that tape got worn out.

The "Acres of Diamonds" story — a true one — is told of an African farmer who heard tales about other farmers who had made millions by discovering diamond mines. These tales so excited the farmer that he could hardly wait to sell his farm and go prospecting for diamonds himself. He sold the farm and spent the rest of his life wandering the African continent searching, unsuccessfully, for the gleaming gems that brought such high prices on the markets of the world. Finally, worn out and in a fit of despondency, he threw himself into a river and drowned.

Meanwhile, the man who had bought his farm happened to be crossing the small stream on the property one day, when suddenly there was a bright flash of blue and red light from the stream bottom. He bent down and picked up a stone. It was a good-sized stone, and admiring it, he brought it home and put it on his fireplace mantel as an interesting curiosity.

Several weeks later a visitor picked up the stone, looked closely at it, hefted it in his hand, and nearly fainted. He asked the farmer if he knew what he'd found. When the farmer said, no, that he thought it was a piece of crystal, the visitor told him he had found one of the largest diamonds ever discovered. The farmer had trouble believing that. He told the man that his creek was full of such stones, not all as large as the one on the mantel, but sprinkled generously throughout the creek bottom.

The farm the first farmer had sold, so that he might find a diamond mine, turned out to be one of the most productive diamond mines on the entire African continent. The first farmer had owned, free and clear ... acres of diamonds. But he had sold them for practically nothing, in order to look for them elsewhere. The moral is clear: If the first farmer had only taken the time to study and prepare himself to learn what diamonds looked like in their rough state, and to thoroughly explore the property he had before looking elsewhere, all of his wildest dreams would have come true.

The thing about this story that has so profoundly affected millions of people is the idea that each of us is, at this very moment, standing in the middle of our own acres of diamonds. If we had only had the wisdom and patience to intelligently and effectively explore the work in which we're now engaged, to explore ourselves, we would most likely find the riches we seek, whether they be financial, or intangible, or both.

Before you go running off to what you think are greener pastures, make sure that your own is not just as green or perhaps even greener. It has been said that if the other guy's pasture appears to be greener than ours, it's quite possible that it's getting better care. Besides, while you're looking at other pastures, other people are looking at yours. ✧

How to Create -- and Keep -- Personal Independence—continued from page 1

Now, I would define this as "having an income sufficient for your basic needs and comforts from sources other than paid employment." Independence implies freedom. It's the condition of having saved enough money that you can do whatever you choose. Whether you elect to keep working doesn't matter -- you have enough saved and invested to follow your dreams.

But, is independence (in the monetary sense) just a pipe dream? Is it something only for the lucky and the strong? No, it's a goal that anyone can reach, as long as they're armed with some basic knowledge and make some smart choices.

As I see it, there are four keys to accumulating wealth:

- 1. Start investing as early as possible.** It takes significantly less money to accomplish what you want, and you have more time working for you.
- 2. Be determined to save on a regular basis.** It is an easy way to accumulate wealth -- especially when it becomes an *automated* component of your monthly plan.
- 3. Begin investing with the largest possible sum you can.** You will have more money working for you over a longer period of time.
- 4. Reach for the highest rate of return you believe you can safely receive on your money over time.** Each additional percent is important. The higher the rate, the less money it takes to accomplish what you want.

Financial independence is built upon these four guidelines.

What Holds Many People Back

In order to save money, you must fight to keep from spending it. I encourage you to set goals, to prioritize wants. Since money can be spent only once, you need to decide which wants are most important. To do this, it may be helpful to place a value on each of your wants.

So ... here's an exercise for you: Pull out a piece of paper and list your wants.

These can range from a new house to a hot tub to a trip to London to a new blender for the kitchen. Next to each item, write why you want it. (You might want a hot tub, for example, because it would allow you to relax with family and friends.)

When you've finished, take another piece of paper and re-order the list based on how important each want is to you. If a trip to London tops the list, are you still willing to delay it by spending \$40/month for that gym membership you rarely use?

Confronting this issue first (keeping in mind those four keys mentioned above) can be the first step on your journey to independence. ※



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 services.

- | | |
|-------------------------------------|---------------------------|
| *Banker | *Financial Advisor |
| *Painter | *Mortgage Broker |
| *Self-Storage Warehouse | *Senior Relocation |
| *IT Security | *Cultured Marble |
| *Aflac Supplemental Insurance | *Printer |
| *Executive Leadership Coach | *Digital Media Marketer |
| *Attorney | *Life Insurance |
| *Shaklee Health & Wellness Products | *Auto and Home Insurance |
| *Realtor | *Custom Embroidered Gifts |



What I'm Reading...

NOW

Tark's Ticks Gauntlet by Chris Glatte

RECENTLY

The Ranger Objective by Jason Kasper
Be Our Guest by Disney Institute with Theodore Kinni

**"READING
 Is a WAY FOR ME TO
 EXPAND MY Mind,
 open MY EYES,
 AND fill UP MY heart."**



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Midyear Mileage Rate Adjustment



For the third time since 2008, the IRS has upped the optional standard mileage rates for business use of a personal automobile at mid-year. Previous increases occurred during 2008 and 2011, and, in each instance, the IRS cited increases in fuel cost as the reason.

Effective July 1, 2022, the standard mileage rate increases 4 cents from 58.5 cents per mile to 62.5 cents per mile.

The mileage rate used for purposes of medical care deductions also goes up by 4 cents, from 18 cents in the first half of the year, to 22 cents. The rate increase also applies to moving expenses deductible by members of the U.S. armed forces making a permanent change of duty station.

The IRS noted in its announcement, that costs, other than fuel factor into the mileage rates, such as depreciation and insurance and other fixed and variable cost. Of course, taxpayers may also use the actual costs of operating a vehicle in calculating a deduction. ✖

"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

"America, to me, is freedom." ~ Willie Nelson

"I believe in America because we have great dreams, and because we have the opportunity to make those dreams come true." ~ Wendell Willkie

This month's special Member-Only call-in times for Lindsey's Insider's Circle will be 7/25/22 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!

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.*