

THE FINANCIAL EDGE

March 2015



The MAGIC of March

Personal comments by Mary

March holds promises of fairies and leprechauns, rainbows and the fabled pot of gold. The myths and legends of old are examples of the magic we can find in life. They bring flavor and a bit of mystery to my everyday life. Just last month I was visited by some very playful leprechauns. They mucked around with my computer causing all kinds of problems, to the point that I had to shut down a full day and put a new computer in service.

Recently all tax preparers have felt another leprechaun (the IRS) changing things around this tax filing season. Congress passes the new laws; however IRS issues the rules and guidance in implementing them. After an uproar of complaints on the complexity of the new repairs and capitalization laws – IRS presented a simpler way to comply.

Lately it has been difficult to believe in magic. As my workload kicks up, it is best to have faith that everything will get done, to slow down and take it one moment at a time. That is easier said than done. It is difficult to keep patience when you expect a project will take 15 minutes and two hours later you are still struggling to get it done. Again, those naughty leprechauns are causing mischief.

Experience more in life. Look for the magic around you. Look for ways to create the magic yourself. Keep an eye out for the leprechauns. But above all else - enjoy the MAGIC of March!

Mary Guldán-Lindström



"Improving the lives of small business owners" FOCUS CPA

IT'S TAX TIME!

Another year closed and the time to come clean with the government is upon us. One could run scared and see what happens or do something productive and gain control. Taxes are a game with rules. As the stakes grow, it pays to be more knowledgeable. We can reduce the pain with education, providing options, assessing risks and getting it done.

Please contact Mary at 920-351-4842 or Mary@focus-cpa.com.



"I work with Mary for the personal service, familiarity, knowledge of complicated issues and her accessibility. I have confidence that we have made the correct choices and I have accurate estimates and tax returns. I value her organization and long term planning aspect."

*Pat Quinn
Business Owner/Investor*

Your referrals are appreciated and will be treated with utmost care!

The Book Review

Title: The Power of Habit – Why we do what we do in life & business.

Author: Charles Duhigg

Topic: Personal Development

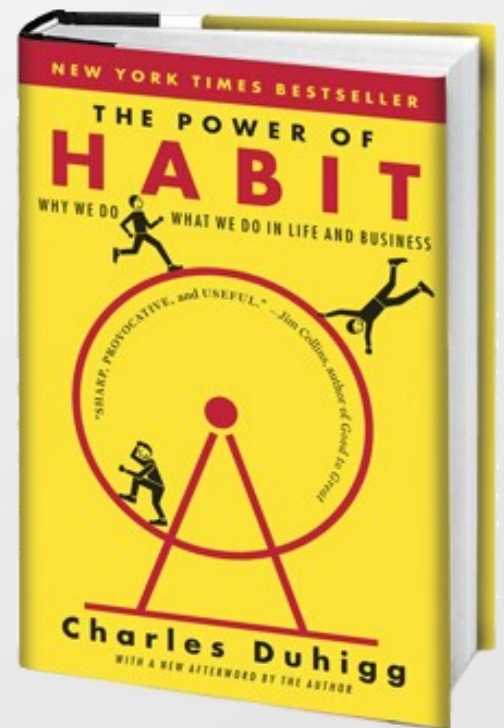
Easy to Read: \$\$\$ (3 out of 5 dollars)

Applicable to small business: \$\$\$\$ (5 out of 5 dollars)

Summary: Habits are an innate part of us. They create the life we live and the society that surrounds us. By understanding our habits we can change.

My recommendation: If you want to change - study your habits. Learn to identify your habit loop, what triggers the loop, what action you take and what reward you receive. By changing the action you can change your life.

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Hobby Laws Threaten Business Status

By Tina Dettman-Bielefeldt | Reprinted from the Green Bay Press Gazette on 2/18/2015

When starting a new business, an entrepreneur may be told that it could take three to five years to show a profit. While that may be true, it certainly isn't something that the IRS will necessarily accept when it comes to filing a tax return.

At a recent Green Bay SCORE client meeting, Mary Guldán-Lindström, SCORE mentor and owner of FOCUS\$ CPA Inc., cautioned a client that business owners and the IRS might have differing views at what constitutes a business.

IRS Code Section 183, the "hobby loss rule," limits deductions that can be claimed when an activity is not engaged in for profit. If your "business" does not show a profit for three of five years and you are audited, the result could be a challenge to determine whether it is actually a hobby rather than business.

Guldán-Lindström says that could result in fewer allowed deductions, adjustments, exemptions and credits. While a business may deduct ordinary and necessary expenses in order to conduct that business or trade, an activity that is not entered into for profit will be limited to the income derived.

In other words, if business losses are being used to offset gains from other businesses or investment income, the IRS will not allow it under the hobby classification.

"The first thing I want to know when I see these losses is how real the numbers are," Guldán-Lindström said. "They may be reporting expenses that aren't true; numbers that don't tell the story of the business. I want to know if they're trying to make a profit or create a write-off. What are their intentions?"

To read more go to our website www.focus-cpa.com



Five Ways to Create Magic in Business

By Mary Guldán-Lindstrom, CPA

Magic, is defined as the art of creating seemingly impossible feats using natural means. This can occur in business when we deliver exceptional customer service by utilizing the company's unique skills and personality for value. Here are five ways to create that magic..

1 Make what you do or sell - your own. Figure out what you stand for. It is not just the products or services but the why behind it. For instance at FOCUS CPA we stand for:

- Removing the pain for the small business owner to comply with the complicated tax laws,
- Encouraging and supporting the small business owner to greater financial success
- Increasing the joy of being a small business owner

2 Interact with your customers. Remember that they are human beings not robots - say please and thank you. Treat them with respect. Listen. Acknowledge their needs, their complaints and ask what they would like you to do. Tantalize the customers' senses - smell, touch, visual, hear, and taste. Connect with their emotions. We do more than prepare tax returns we keep our clients safe; we protect their business, finances and their families.

Learn important things about the customers that you serve;

- What do they want to achieve?
- How do they define success?
- What do they think we can do to help them?

3 Focus on the small things. They can make a big difference. Walk through each customer interaction, review the details and make little improvements that will produce greater benefits to your customer. Tell your customer - thank you for their business. Give clear directions. Be easy to work with. For example when we deliver a tax return, we note the highlights of that year and note taxes that were saved.

4 Surprise and delight. What little extra can we do? For example send birthday cards, deliver balloons, celebrate their successes, etc. Unexpectedly connect with your customers. Personally I have found that presentation counts - all business is show business.

5 Quality - everything matters. This includes the entire interaction, even something as small as toilet paper. Everything defines you. Company values are demonstrated by the words the staff uses, their actions, the tools you use, the marketing messages, and the look and feel of the office, etc. Is the message welcoming or cold and efficient? Each business has a unique combination of values - express yours. For example we use high end tax software - this makes us more efficient and improves the level of accuracy. We strive to customize every delivery of a tax return to meet that client's needs.

By utilizing these five ways we can deliver seemingly impossible feats. The magic that is generated impacts those receiving the services and those delivering them. It brings the passion and enthusiasm into the very personal and unique relationship that your business has with its customers.

**Business Owners –
Need help
maximizing your
financial success?**

**At FOCUS CPA we are
accepting new clients.**

Contact Mary at 351-4842
or Mary@focus-cpa.com to
set up a free initial
appointment to see how we
can improve your situation.

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Did You Know... the Legend of the Leprechauns and the pot of gold

A long time ago, when the seafaring Vikings (not the football team) inhabited Ireland, they stored hordes of their looted treasure on the "Emerald Isle". When the Vikings left, they forgot to take several stashes of gold with them.

The wee leprechauns found the forgotten treasure and divided it into smaller caches, so they could carry it. They knew the Vikings had collected these riches through pillaging and slaughtering of others. They had seen the mean and ruthless behavior that the lust of wealth can create.

Thus they hid the much desired gold in black kettle pots and buried them deep underground where humans could not find them. To find the pot of gold, follow to the end of the rainbow. There you will find a leprechaun vigilantly protecting the pot of gold.

Be careful for the leprechauns are clever and crafty, obtaining the gold is not as easy as it looks.

happy St. Patrick's Day

"Taking care of small business owners" FOCUS\$ CPA Inc