

April 2023 INSIDE THIS ISSUE

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A LITTLE HUMOR: WITH A LITTLE HELP

A man takes an old, run-down, old homestead with plans to turn it into a thriving enterprise. The garden beds were grown over with weeds, the shed was falling apart, and the greenhouse was a frame with broken glass. During his first day of work, the town preacher stops by to bless the man's work, saying, "May you and God work together to make this the allotment of your dreams!"

A few months later, the preacher stops by again to call on the man. Lo and behold, it's a completely different place. The shed is completely rebuilt and in excellent condition, there are plenty of vegetables growing in neat rows and the greenhouse has been reglazed. "Amazing!" the preacher says. "Look what God and you have accomplished together!"

"Yes, reverend," says the farmer, "but remember what the place was like when God was working it alone!"

THE FINANCIAL EDGE

April 2023



SPRING: THE SEASON OF HOPE

Personal comments by Mary

Spring is finally here in Green Bay. Winter may still come and go, but it will eventually turn into summer. My garden is turning green, a deep feel-good type of green. I love perennials. There is that sense of excitement to see what will come back each year. I hope for a healthy abundant garden. However, nature has its way with my garden - freezing weather can kill plants, rabbits will cut them back and squirrels have been known to move bulbs.

As I write this the crocuses are done blooming and the daffodils are about 5 inches high, sprouting an inch or two every time we have a nice day. The rabbits have definitely made an impact on my garden. At dusk I see three large ones hanging around. They are munching the tulip tops. I am hoping that my lavender comes back - never a guarantee.

To help me curb my garden excitement, in late February I start plants from bulbs. This includes elephant ears, calla lilies, canna lilies and everblooming begonias in the house. I am anxious to get them moved outside. I am always amazed at what seeds, sunshine, water and dirt can create.

In another part of my life tax season will be over by the time you read this. For the last 5 months we hunkered down, focused on tax deadlines and got done as much as possible by April 18th. Spring brings hope to me. In the case of the garden and signally the end of tax season.

I am hoping for a beautiful garden this year and a little calm after tax season.

Mary Guldán-Lindstrom



"When flowers bloom, so does hope."

~ Lady Bird Johnson

"Improving the lives of small business owners" **FOCUS\$CPA** inc



"They make running my business a lot easier for me. Mary and her team step in as a sort of CFO for my company and help me with so many areas of the business. Wouldn't be where I am today without them!"

Chris Robinson, *Owner*



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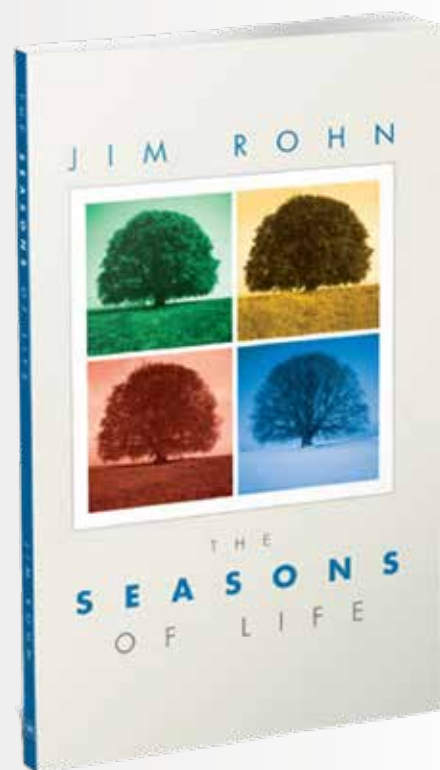
Call us at 920.351.4842

THE BOOK REVIEW

TITLE: The Seasons of Life
AUTHOR: Jim Rohn
TOPIC: Philosophy
EASY TO READ: \$\$\$\$\$ (5 out of 5 dollars)
APPLICABLE TO SMALL BUSINESS: \$\$\$\$\$ (5 out of 5 dollars)

Summary: Life is made of seasons - spring, summer, fall and winter. A different time for different things. The book notes the triumphs and tragedies of life. Jim Rohn presents a thought process that brings us a sense of accomplishment and contentment.

My recommendation: This was an easy read and a great reminder of working with the flow of life and the fact that it is not always easy. Spring a time for planting, summer a time for growth, fall a time to harvest and winter a turbulent time. Super great advice for Entrepreneurs!



Pages: 125 | Published: 1985

PAYING YOUR FAIR SHARE, WHO REALLY PAYS?

By Mary Guldán-Lindström CPA

It's in the news – the rich need to pay their fair share. It is a known fact that our income tax code is progressive. Basically, the more taxable income you have the more taxes you pay. But what is fair?

Based on the new 2020 income tax statistics the top 25 percent of earners paid nearly 89% of all income taxes in 2020. This is the highest share of income taxes paid seen in the tax data available going back to 1980. In 1980 they paid 73%.

WHICH BRACKET DO YOU BELONG TO?

- **TOP 1%** taxpayer has \$548,336 or more of taxable income. Pay 42.3% of total taxes.
- **TOP 5%** taxpayer has \$220,520 or more of taxable income. Pay 62.7% of total taxes.
- **TOP 10%** taxpayer has \$152,321 or more of taxable income. Pay 73.7% of total taxes.
- **TOP 25%** taxpayer has \$85,853 or more of taxable income. Pay 88.5% of total taxes.
- **TOP 50%** taxpayer has \$42,184 or more of taxable income. Pay 97.7% of total taxes.

Lower income earners carry little of the overall income tax burden, with the bottom 50 percent of earners owing 2.3% of the national share. In 1980 they paid 7%. Based on the numbers the rich are paying more.

Information obtained from the [TaxFoundation.org](https://www.taxfoundation.org)





WHAT ARE YOU WORTH? FINANCIALLY SPEAKING...

By Mary Guldan-Lindstrom CPA

If you have a business loan with the bank, chances are you have been asked to update your personal financial statement. Did you ever consider tying this exercise into your financial goals? If it's important for the bank to know, maybe it's important for you to know. After you get your tax return done, is a great time to evaluate your progress toward building your personal net worth.

DISCOVER AND GATHER

Every day we are surrounded by our stuff. We fill and empty our bank accounts. We use our credit card, pay pals accounts, and sometimes, even cash. Rarely do we stop our daily activity and pull together a list of the financial resources we have at hand. I recommend that you start with the good stuff and then include the bad stuff.

The **GOOD STUFF** - Pull together your most recent bank and investment statements. Look for titles of vehicles, boats, toys, etc. Gather your real estate bills to find an estimated fair market value for real estate you own. If you own a business, print the most recent Balance Sheet and obtain a current depreciation schedule. Create a list of everything that you own.

Now the **BAD STUFF** - Next, discover and gather your debt. Gather your most recent credit card statements, school loan statements, car loan statement and find your mortgage balance. Another option is to pull a credit report.

DETERMINE THE VALUE

Cash and investments are easiest to measure, just look at your statements. Vehicles values can be obtained from KBB.com. The challenge

is measuring the value of your business or rental properties. These measurements are not an exact science, but they are formulas using cash returns that will provide a sound financial basis. I don't recommend you use this value to establish a sales price, but it is great to provide a discussion of how to increase the value.

CALCULATE AND EVALUATE

Total the value of your assets and then reduce the value by your debts. The amount left is your personal net worth. According to Dr. Thomas Stanley, author of the Millionaire Next Door, your expected net value should equal 1/10 of your age times your annual realized income. For example, if you are 50 years old and earn \$50,000 a year, your expected net worth should be \$250,000.

BUILD

Once you created this list, you can use it to build the value. From this list you can evaluate the financial return of your current resources and work to improve the results.

PROTECT

Once you have identified where your net worth is, the next step is to protect it. It may be insurance, or estate planning or business succession.

HOW DID YOU DO? Are you satisfied with the results or does it push you to do better?

If you are interested in more information, request our free checklist to create your own personal financial statement. We can help pull the numbers together, along with providing a financial perspective and brainstorm with you ideas to improve your net worth. Please contact Mary, at Mary@focus-cpa.com or 920-351-4842.

SPECIAL OFFER

ARE YOU FINANCIALLY SOUND AND PREPARED FOR YOUR FUTURE?

Creating a personal financial statement is the first step. Being a business owner, your resources don't fit in the typically "financial box". We can work with you to see where you are at risk, what resources you have that are not fully utilized and identify where you stand now. We can help pull the numbers together, along with providing a financial perspective and brainstorm with you some ideas to improve your net worth.

Please contact our office to discuss how a "Personal Financial Statement Review" can help you. Call for a free discovery meeting.

920-351-4842