



## Jonathan Speaks

In this edition, we shall discuss why your personal/business tax season should begin after the federal/state tax season is

over!! Makes sense? Please see below.



### Food for Thought!

- a) Do you have a financial vision for your life or business?
- b) Is wealth creation one of your key objectives or are you working or running your business simply to pay the bills?
- c) Have you developed income producing assets that contribute to an increase in your net worth regularly?
- d) Do you know your effective tax rate?



Finally, the tax deadline of April 18, 2017 has come and gone. Masses of tax preparers, enrolled agents, tax lawyers, and certified public accountants can now lay down their tools and catch their collective breath after an intense first quarter of 2017. Also, tax payers who received refunds may be smiling all the way to the bank. Those who had to pay money to the IRS, depending on the amount, might be experiencing some heartache and financial distress.

This might be especially so if a tax payer's tax liability or the amount owed to the IRS was unexpected or larger than expected. The question is, "Could they have avoided unexpected tax liabilities? Are some tax payers, including you, overpaying to Uncle Sam?"



"Plans fail for lack of counsel, but with many advisers they succeed." Proverbs 15:22 NIV

It is well known that most big companies take pains to research and implement provisions within the tax code that allow them to legally reduce their tax liability. Some companies are so proficient at reducing their tax liability, that they end up paying at an effective tax rate which is significantly lower than most individual tax payers and small businesses.

What can we learn from the big boys, since every big firm used to be a small firm? Here are some thoughts for your consideration:

1. Increase your net assets and therefore, wealth, by keeping more of what you make. Invest the additional funds, thereby making your money work for you.
2. An unplanned approach to wealth building could cost you dearly in the long run.
3. Life as we know it is complex. There are several areas that lend themselves to planning which could lead to tax savings and wealth creation. Some of these are education, investments, insurance, retirement, and estates.
4. If you own a company, it provides even more opportunities to build wealth in a smart manner. Use the deductions that are available.

Nobody likes paying taxes, but taxes are essential for our protection, infrastructure, education, and for overall development. The key is to delay, defer, or avoid taxes in a legitimate manner using the options in the tax code and some smart tax planning. Don't wait until next year, around this time, when you may have overpaid again, to take action. Consult with your tax professional and implement tax saving strategies as soon as possible. If you need help developing a comprehensive tax plan which would reduce your taxable income and help you create wealth, feel free to give us a call at 901-791-4643 or check us out at [www.memphisconsultinggroup.com](http://www.memphisconsultinggroup.com)

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