



## Get Rid of the Junk!

Gail Schick

The demand for environmentally responsible waste disposal is slowly starting to catch up with business everywhere. In today's disposal industry, it is possible to divert around 60% of all of the junk collected.

Modern day junk collecting companies have created a business from recycling and donating unwanted items. The companies often find new homes for old office furniture, donate clean scrap wood to schools and hobbyists, and consistently recycle all metal, paper and cardboard. All gently used household items are brought to relief centers to further their useful life.

"Keeping junk out of the landfill just makes sound

environmental and business sense," says Sam Schick, owner of the local 1-800-GOT-JUNK?. "We are at the forefront of the recycling movement and we make it our business to learn about new resources that can be recycled."

Business owners are also



discovering that using a professional junk removal company can help them deal with their waste in an environmentally responsible way. These disposal services are especially helpful

for real estate, property management, construction, and retail businesses.

Today's advances in communication technology offer disposal customers a 24-hour call center. The call center gives agents the ability to see the real-time schedules of local franchises;

thus allowing them the ability to secure same day service. Junk removal teams call ahead, arrive on time and remove waste from its current location, finishing the job with a full clean-up. Modern day disposal of

junk has become more challenging and recycling has become essential to the disposal industry. Disposal companies that keep up with this environmental demand keep us all safe.

*"Leadership is a matter of intelligence, trustworthiness, humaneness, courage, and sternness. Intelligence involves the ability to plan and to know when to change effectively. Trustworthiness means to make people sure of punishment or reward. Humaneness means love and compassion for people, being aware of their toils. Courage means to seize opportunities to make certain of victory, without vacillation. Sternness means to establish discipline in the ranks by strict punishment."*

*Sun Tzu The Art of War*

Our country, our community, and our families all need great leaders. I heard the saying once that he who thinks he is leading, turns around and sees no one is following, is merely going for a walk. I need to take a close look at this one in my life. Am I really leading or am I going for a walk? Am I making a difference in my customers' lives, my referral partners' lives, my friends' lives, and my family's lives? The idea for this month is that if you are not sure of the answers to this question, make a phone call or a visit, and ask the question. After finding out the answer, work to improve on the characteristics that Sun Tzu defines a leader to be.

## The Perfect Tax Storm

Elizabeth Lentfer Osborne, Esq.

The current economic market demands that consumers look for new and innovative ways to save money. Often times this can be accomplished by leveraging the tax code to your advantage. In fact, the collision of two worlds can create the perfect tax storm and save you more than \$37,500 in taxes. But the amount saved can be much more, depending on the value of the underlying property.

• World one – IRS Tax Code §121 allows a taxpayer to exclude gain realized on the sale of your principal residence, up to \$250,000 (\$500,000 if married filing jointly). It's easy to apply – just live in your home for at least two of the last five years, and you can exclude the gain on your sale.

• World two - IRS Tax Code §1031 allows a taxpayer to defer

any gain realized on the sale of business or investment property. Here, you have to purchase similar, or "like-kind", property at the same time you sell your investment property, or shortly thereafter.

How can these two worlds collide? Through perfect timing. By following the IRS' timeframes, you can leverage both of these tax-saving provisions in a single transaction, and have "the best of both worlds". Provided certain timing requirements are met, a single exchange may qualify for tax gain exclusion under § 121 as well as tax gain deferral under § 1031.

Here's an example of how to achieve the perfect-tax-storm: Live in your property for at least two of the last five years, and then convert the property to a rental. Use the property as a rental for at least two years

before the exchange, renting it out for at least two weeks each year (and not using it yourself for more than that). Upon the sale of this property, you can exclude \$250,000 gain (or \$500,000 if married and filing jointly), and any additional gain is deferred and rolls into your newly purchased investment property. The IRS' recent revenue procedure lays out the specifics, and should be followed closely. If you would like to know more, contact an attorney to help guide you through the process so you can save and defer taxes.

