



▶ **The Divorce Experience-Dealing with Life after Divorce**



▶ **Record Keeping for Tax Purposes**



▶ **Do You Need a Financial Planner?**

○ VOL. 2 | ○ 2nd QTR | ○ 2007

Divorce resource

The Divorce Experience, How Can a Life Coach Help?

By Cindy Nixon-Witt, Certified Life Coach
Success Unlimited Network and the International Coach Federation

“Providing financial solutions to your divorce practice.”

Divorce Resource is your quarterly newsletter from

DPG

Divorce Planning Group

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I remember these life changes so clearly even though it was a long time ago. The decision to move forward in my life without the father of my children, the man I had been married to for twenty-one years. What happened? Why? Divorce is built on a system of asking why.... I tried to answer the questions and communicate reasons. Feeling isolated, alone and not very confident, I contacted the referred professionals, attorneys, counselors, accountants, financial planners and mediators, all recommended to help facilitate a settlement, to guide towards the important decisions and to help complete the divorce proceedings. Looking back at my divorce I now recognize it as a gift and a step towards my personal growth and my eventual discovery of life coaching. Years later, during my own Life Coaching sessions, I made the decision to acquire training for this profession. I now work as a Certified Life Coach serving others during life transitions and change to support their personal and professional development.

So how can a Life Coach support those in transition, challenged with the many facets of this life altering event called divorce?

Coaching is based on an educational model that provides an opportunity for clients to learn. The focus is on the present situation, the divorce, and learning how to approach and manage the challenges and decisions that divorce presents. Divorce is a life altering change. Having an awareness of the factors necessary for change and the various stages of change makes it easier for clients to focus, communicate more clearly and begin to experience balance in all life areas.

Coaching works because a good coach fulfills several human fundamentals:

- Having an ally or partner on one's path, during challenging times;
- the need to feel understood; and
- the power of being accountable to another.

Continued on next page

Coaching continued:

Coaching is not clinical in nature like therapy or counseling. It is not based on a medical diagnosis and no diagnosis is made. There is no assumption that a mental health problem exists and a coach does not delve into the past to look for root causes of problematic issues.

One important function I offer as a Life Coach is to guide clients in clarifying their thoughts, needs, and concerns, to help them communicate more effectively. Clear, purposeful and rational communication helps to ease tension and foster understanding between spouses, as well as parents and children. Additionally, clearly and precisely conveying key facts and asking important questions aids a client in communicating effectively with his or her attorney and others involved in the divorce proceedings.

During the coaching process I partner with clients to clarify their life purpose and help them identify their talents, resources and support systems. Clients are encouraged to focus on “well being” as well as “doing” goals that most accurately and insightfully reflect their true values. By providing a consistent support system and introducing innovative coaching strategies, clients become empowered to define and achieve the results they choose for their life.

Clients need to be motivated and realize their personal strengths in order to overcome obstacles they encounter during the divorce process. As a Life Coach I can provide the necessary support, motivation, and encouragement for clients to *grow* through the divorce process and become empowered to plan for a positive future.

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Cindy Nixon-Witt moved to Columbia, SC, in 2004. Prior to that, she worked in Florida and has more than 25 years experience in coaching, training, business ownership, personal growth and leadership development, community and media relations.. She presently works as a professional Life Coach and Consultant certified by *Success Unlimited Network® and the International Coach Federation. She serves clients through her individual practice, the Leadership Institute at Columbia College, and has recently associated with Dr. Joel Sussman to coach ADD & ADHD adults. Cindy is passionate about making other people successful through personal and executive coaching. Her ideal clients include professionals and people in life or career transitions who are open to exploring and learning about themselves and how to master the ability to create clarity, balance, organizational skills, healthy relationships and desired results.



Recordkeeping for Tax Purposes

By **Barbara J. Luksik, CPA**
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Columbia, SC
June 2007

Why To Keep Records?

The Internal Revenue Service (IRS) does not require you to keep your records in a particular way. However, you should keep records in a manner that allows you and the IRS to determine your correct tax liability.

You can use your checkbook to keep a record of your income and expenses. In your checkbook register, you should record amounts, sources of deposits, and types of expenses. You also need to keep documents, such as receipts, that can help substantiate an income tax deduction.

Your records should be kept in an orderly manner and in a safe place. One suggested way to keep records is to organize them by year and by type of income or expense. Examples of documents to keep substantiating sources of income include Forms W-2, Forms 1099, bank statements, brokerage statements, and Schedule K-1s from partnerships and S-corporations. Examples of documents to keep substantiating expenses include invoices, receipts, credit card statements, cancelled checks, bank statements, or other proof of payment.

If you use a computerized system for recordkeeping, you must be able to produce legible records of the information needed to determine your correct tax liability. In addition to your computerized records, you must keep proof of payment, receipts, and other documents to prove the amounts shown on your tax return.

Continued next page



Recording Keeping continued:

Copies Of Tax Returns:

You should keep copies of your tax returns as part of your tax records. If you need a copy of your return but cannot locate it in your files, you can request a copy of the return from the Internal Revenue Service (IRS) by using Form 4506, *Request for Copy of Tax Return*. Currently, there is a \$39 fee for each return requested. If you had your return prepared by a professional, you may wish to request a copy from your preparer first. Often, the preparer will provide another copy free of charge.

Most needs for tax return information can be met with a tax return transcript or a tax account transcript, rather than an actual copy of the return. The tax return transcript shows information from the return, as it was originally filed. A tax account transcript shows any later adjustments either the taxpayer or the IRS made after the tax return was filed.

Transcripts are provided free of charge by the IRS. To obtain a transcript, a taxpayer may call the IRS at 800-829-1040 or complete Form 4506-T, *Request for Transcript of Tax Return*. So if a third party is requesting a copy of your return (such as a bank for a loan application) and you do not have a copy on hand, you should inquire with the third party to see if they will accept a transcript instead – it will save you the fee noted above.

How Long To Keep Records:

Typically, tax returns and supporting documentation should be kept for at least three years after the year the return is filed. However, there are some instances where the IRS can go back to an earlier period (up to seven years) and audit a return. Therefore, it is typically suggested that taxpayers keep returns and substantiating records on hand for at least seven years after the return has been filed. If a taxpayer does not file a return or files a fraudulent return, there is no statute of limitations for the IRS pertaining to the years not filed or those fraudulently filed.

Keeping Records For Non-tax Purposes:

When your records are no longer needed for tax purposes, do not discard them until you determine if they should be kept longer for other purposes. Your insurance company or creditors may require you to keep certain records longer than the IRS does.

Sources: Internal Revenue Service website at www.irs.gov and IRS Publication Number 552, *Recordkeeping for Individuals*.

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OUR SERVICES INCLUDE:

- Preparing comprehensive budgets
- Reviewing marital and non-marital assets
- Providing current and date-of-filing valuations for assets
- Preparing lifestyle expense reports
- Reviewing life and health insurance policies
- Locating “hidden” assets
- Reviewing credit reports with clients to determine their ability to obtain alternative financing
- Working with clients to address financial needs during separation
- Preparing a list of documents needed to complete financial discovery
- Assisting with QDROs
- Assisting clients with post-divorce financial goals
- Coordinating with attorneys and other experts to prepare for hearings and settlement discussions



DO YOU NEED A FINANCIAL PLANNER?

What do they do? And should you have one?

By Gary S. Roberson, CFP

What does a financial planner do? Well, that depends. Many individuals refer to themselves as “financial planners”, but not all perform true multidisciplinary financial planning. Investment, insurance and tax professionals sometimes specialize in certain areas of financial planning (such as retirement planning, estate planning, tax planning, or investment management). A CERTIFIED FINANCIAL PLANNER™ practitioner is qualified to give you comprehensive financial advice, as a result of examination, continuing education, board certification and accumulated experience.

In general, individuals who call themselves “financial planners” aim to help you plan for your goals and needs and improve your unique financial situation.

What doesn't a financial planner do? A financial planner cannot make you a thriftier shopper, a better saver, or help you earn more money. Ideally, he or she will look at your financial “big picture” and help you work to enhance it via money management. Depending on their credentials, they may recommend specific investments, long-run investing strategies, insurance options, retirement planning, risk management methods and more.

Who needs a financial planner? If you have some significant assets built up (a home, a retirement fund, savings, etc.) and are wondering about how to protect and/or grow those assets, you're probably ready for a financial planner. If you currently live paycheck to paycheck or have less than \$10,000 combined in your savings and/or any retirement accounts, then you're probably not yet in need of a financial planner. What you should do is research savings strategies and take a good look at your spending habits so you can begin to build your wealth at a faster pace.

How much does it cost? That is a tricky question to answer. The cost of hiring a financial planner can vary depending on who you hire, where they are located and what type of “fee structure” they use. A *fee-only* financial planner earns a flat fee, hourly or otherwise, for their services. A *fee-based* planner generally prefers to charge advisory fees (often .50% to 2.00% annually of the assets under management) for his or her services, rather than commissions linked to investments or product sales.

In occasional instances, charging commissions may actually be more cost-effective for you, but may not be as beneficial. A *commission-based* planner typically receives the total percentage of his or her income in upfront commissions and therefore some may feel they have little incentive to service you on an ongoing basis.

In most cases, your initial meeting with one of these professionals will be free of charge (be sure to ask in advance about this), and you can discuss fee schedules and compensation arrangements at that time.

What is a “Certified Financial Planner”? If you see the designation “CFP®” after a planner's name, you have found a CERTIFIED FINANCIAL PLANNER™ practitioner (alternately called a CERTIFIED FINANCIAL PLANNER™ professional). A CFP® has passed a comprehensive examination, amassed three or more years of qualifying full-time work experience, and enrolled in continuing education courses. A CFP® practitioner must also adhere to a strict code of ethics as set forth by the CFP® board.

Can you claim to be a financial planner without being a CFP®? Yes. Although it's important to point out that the field of financial planning remains vastly unregulated – meaning almost anyone can call themselves a “financial planner”. Does that mean a planner without their “CFP®” designation is unqualified? Not necessarily. But if they aren't certified, you may want to inquire about their experience and training.

How do I choose a planner? In two words ... ask questions. Ask trusted friends or colleagues for referrals. Sit down with any planner you're considering and find out how long they've been in business, what their credentials are, how they operate, etc. Most importantly, make sure if and when you hire a planner that your personalities will mesh. This is someone you may well be working with for the rest of your life, so you should choose someone you feel comfortable with.

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