

\$ THE MONEY DOCTOR

by William F. Richardson



Paying off your mortgage may be a MISTAKE!

Just because all the dogs in the neighborhood are barking up the same tree doesn't make it the right tree, any more than socking money away into IRAs and 401(k)s and paying extra principal on your mortgage is the best money-leveraging strategy for everyone.

In the quest for financial independence, there are two places we Americans accumulate the most money: our homes and our retirement plans.

Following accepted wisdom, we set aside money in retirement accounts such as IRAs and 401(k)s to enjoy tax-deductible funding and/or tax-deferred accumulation. At the same time, we assume it's always best to achieve the goal of outright home ownership and save money on mortgage interest expenses by paying extra principal payments against our mortgages.

Like naïve, inexperienced drivers, we proceed down the highway of life, pursuing financial security with one foot on the brake and the other on the gas! We may eventually make it to our destination, but only after a very jerky ride. We wonder why a few others arrived at the station of financial independence sooner, achieving more with a much smoother ride.

We suddenly realize that during all those years of earning money, we put cash into investment vehicles that gave us a tax deduction on the front end, only to be hammered with taxes on the back end. At the same time, we eliminated one of the best tax deductions we have: our home mortgage interest.

During our "golden years" of retirement, we painfully learn that we increased our tax liability by postponing it to a time when we no longer have significant deductions. In frustration, we complain, "I did everything right! Everyone who's concerned about their retirement puts money into IRAs and 401(k)s, and I've always been taught that people should pay off their mortgages early by sending extra principal payments to the mortgage company."

As the founder and director of The California Educational Institute of Wealth Enhancement, and creator of the Equity Max

ProgramSM, a valuable lesson I've learned in life is that "just because all the dogs are barking up the wrong tree doesn't make it the right one!"

To assist Californians in finding the "right tree," I conduct educational presentations featuring the Equity Max Program SeminarTM — which is based on the strategies of some of the most brilliant financial minds of our time, including concepts from Douglas R. Andrew's best-selling book, "Missed Fortune 101." Those who attend may gain valuable insights into financial opportunities previously unknown to them. The Equity Max Program SeminarTM teaches valuable keys to money, asset and equity management that run contrary to conventional wisdom, such as "How to become your own banker." In fact, you may never view your home, mortgage, retirement plans, investments and insurance the same way again!

There are three ways that we, as individuals, handle new information: 1) ignore it, 2) reject it, or 3) increase our level of understanding to accommodate the idea. This dynamic seminar reveals strategies that rattle and dispel many "Money Myth-Conceptions" and uncovers little-publicized, completely legal tax breaks and money-leveraging techniques used by successful banks, corporations and the smartest money managers.

The Equity Max Program SeminarTM series is held the first Thursday of every month from February through October at the Fairfield Inn & Suites on Salida Blvd. in Salida/Modesto. As a California resident, you are cordially invited to attend these presentations at no charge, compliments of our corporate sponsor, Citizens Financial Security (of Modesto, www.CitizensFinancialSecurity.com.)

For additional information on The Equity Max ProgramSM, see the Valley Views Spotlight television show, phone (800) 862-5330 or visit www.EquityMax.org. To register at the official Web site, go to www.EquityMaxProgram.com.

You are invited to contact me, William Richardson, with any questions at (209) 543-8666 or send email to William@WilliamFRichardson.com

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