

## **CORE CLASS: SIMPLE MONEY**

*26 January 2022 | Week 3: Taxes, Debt, and Budgeting Pt. 1  
Text Questions | 317-798-0661*

### **WHAT IS THE KEY TO FINANCIAL FREEDOM?**

#### **THE TOPIC OF TAXES**

- For the Christian, paying taxes is \_\_\_\_\_ (Matt. 22:17-22, Rom. 13:5-7)
- Taxes can be \_\_\_\_\_ (think of it as a by-product of God's blessings)
- Keep your tax refund \_\_\_\_\_, but keep it to \_\_\_\_\_

#### **THE TOPIC OF DEBT**

The Bible does not have a \_\_\_\_\_ against debt

**BUT:**

Be \_\_\_\_\_ of the dangers of borrowing money, and as you move through life,

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**Legitimate Reasons to Utilize Debt**

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

**Illegitimate Reasons to Utilize Debt**

- \_\_\_\_\_ (I Jn. 2:15,16)
- \_\_\_\_\_ (Matt. 6:25-34)
- \_\_\_\_\_ (Josh. 1:8)
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_ (Jam. 4: 13-15)

*"Past results are no guarantee of future performance"*  
"Prosperity in the Age of Decline", Alan Beaulieu, Wiley Press

**THE TOPIC OF BUDGETING, PART 1**

(Proverbs 27:23, 24)

**Three Principles for a Budget System that Works**

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## **Resources Cited & Recommended**

Alcorn, Randy. *The Treasure Principle: Unlocking the Secret of Joyful Giving*. Colorado Springs, CO: Multnomah, 2017

Alcorn, Randy. *Money, Possessions, and Eternity*. Coral Stream, IL: Tyndale House Publishers, 2003

Crosson, Russ. *Your Money Made Simple: The Key to Financial Freedom*. Eugene, OR: Harvest House, 2019

Piper, John. *Rethinking Retirement: Finishing Life for the Glory of Christ*. Wheaton: Crossway, 2009.

Tripp, Paul David. *Redeeming Money*. Wheaton: Crossway, 2018.

# SIMPLE MONEY

Budgeting | Saving | Giving



WELCOME to Week 3

CORE

# Financial Freedom

The way you find Financial Freedom is to spend less than you make and do it for a long time.

# Taxes: Matthew 22:17-22

“Tell us, then, what you think. Is it lawful to pay taxes to Caesar, or not? But Jesus, aware of their malice, said, ‘Why put me to the test, you hypocrites? Show me the coin for the tax.’ And they brought him a denarius. And Jesus said to them, ‘Therefore render to Caesar the things that are Caesar’s, and to God the things that are God’s.’ When they heard it, they marveled. And they left him and went away.”

# Taxes: Romans 13: 5-7

“Therefore one must be in subjection, not only to avoid God’s wrath but also for the sake of conscience. For because of this you also pay taxes, for the authorities are ministers of God, attending to this very thing. Pay to all what is owed to them: taxes to whom taxes are owed, revenue to whom revenue is owed, respect to whom respect is owed, honor to whom honor is owed.”

# Determining your tax burden (Box #2)

$ETR\% = \text{Fed} + \text{State} + \text{County} + \text{SS} + \text{Medicare}$

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Gross Income

$\text{Box \#2} = ETR\% * \text{Gross Income}$



# What about Debt?



# Proverbs 22:7

“The rich rules over the poor, and the borrower is the slave of the lender.”

# Legitimate Reasons to Utilize Debt

- Starting a business
- Purchasing a home
- Making home improvements
- Funding education
- Investment in appreciating assets

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# Mortgage Example: a Bigger House

- \$300,000
- 8% interest
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- 30 yr. loan
- \$2,000/mo. before taxes, insurance, PMI

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**Payment over  
30 years: \$713,000**

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# Illegitimate Reasons to Utilize Debt

- Wanting to “keep up with the Joneses”
- Lack of contentment with what my current income provides
- Having the wrong definition of success
- “It’s a tax deduction”
- Current gratification
- Presuming what the future will bring

# I John 2: 15,16

“Do not love the world or the things in the world. If anyone loves the world, the love of the Father is not in him. For all that is in the world – the desires of the flesh and the desires of the eyes and pride in possessions – is not from the Father but is from the world.”

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# Joshua 1:8

“This Book of the Law shall not depart from your mouth, but you shall meditate on it day and night, so that you may be careful to do according to all that is written in it. For then you will make your way prosperous, and then you will have good success.”

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# James 4: 13-15

“Come now, you who say, ‘Today or tomorrow we will go into such and such a town and spend a year there and trade and make a profit’ – yet you do not know what tomorrow will bring. What is your life? For you are a mist that appears for a little time and then vanishes. Instead you ought to say, ‘If the Lord wills, we will live and do this or that.’”

*“past results are no guarantee of future performance”*

# You must pay it back

Ps. 37:21 "The wicked borrows but does not pay back, but the righteous is generous and gives;"

Eccl. 5:4,5 "When you vow a vow to God, do not delay paying it, for He has no pleasure in fools. Pay what you vow. It is better that you should not vow than that you should vow and not pay."

# Blessing Connected to Not Borrowing: Deut. 15: 4-6

“But there will be no poor among you; for the LORD will bless you in the land that the LORD your God is giving you to possess – if only you will strictly obey the voice of the LORD your God, being careful to do all this commandment that I command you today. For the LORD your God will bless you, as he promised you, and you shall lend to many nations, but you shall not borrow, and you shall rule over many nations, but they shall not rule over you.”

# Budgeting (Box #4)

Living Expenses:

Max. Available = Income - Box #1 - Box #2 - Box #3

Box #4 = lesser of:

- Max. Available
- Actual living expense (from worksheet)

# Proverbs 27: 23,24

“Know well the condition of your flocks and give attention to your herds, for riches do not last forever, and does a crown endure to all generations?”

# Budgeting that Works (Keep It Simple!):

- Every budget system, at its essence, is an envelope system
- No budget system will work without cash on hand
- Be careful not to simply track what you have spent
  - (This is not budgeting but simply record-keeping)

# Questions

- Paying for School: <https://www.moneywise.org/moneywise/the-scholarship-hunt-3362> (Moody Radio, Tuesday, 1/18/22)
- Wills & Trusts: (Week 4)
- Insurance Providers:
  - Bundling
  - Capitol Insurance: 317-253-1155, capitolins.com
- Reputable Christian Ministry Organizations (see next page)
- Budgeting Apps



# Christian Ministries in our Church

- Africa Inland Mission (Josh & Holly Pagel)
- CRU Thailand (Jon & Marissa Foltz, Riew & Diew)
- Good News for India (Luke Jones, Terry & Dawn Sites)
- Redeemer Church of Al Ain (Luke & Laura Humphrey, Luke Jones)
- CRU Indianapolis Collegiate/Metro Ministry (Jeff & Sarah Johnson)
- Child Evangelism Fellowship (Pam Hall)
- Life Centers (Marguerite Havard)
- American Baptist Church (Bruce & Connie Cochran)
- Ratio Christi (Will Hoyler)
- UniteIndy (Scott Whiting)
- Samaritan's Purse: Molly Hail
- College of Biblical Studies (John Crowder)
- Indianapolis Theological Seminary (Dr. Nicholas Piotrowski)
- Heritage Christian School (Eileen Howell, Wendy Camp, Sharie Peterson)
- Bible Study Fellowship: Carlos Roman
- Greenwood Christian Academy (Jay Adams)
- Send International (Alfie & Julie Mosse)
- Concerning the Times Ministries (Howard Green)

# Homework Week 3-4

- Textbook: Chapters 9-12
- Study the Principles Sheet: What is God calling you to do?
- Study Budgeting Tips: Anything here that you can use?
- Do you have a monthly budgeting system in place? (If not, what will you do to put one in place?)
- Do you have a long-term Financial Plan (If so, is it realistic – check the LT Plan summary; If not, how will you get started?)