**Make Extra Money with Side Hustles**

Avoid Money Mishaps by Choosing the Right Gig for you!

“The reason many people do not recognize opportunity is because it usually goes around wearing overalls looking like hard work.” ----- *Thomas Edison*

So, you want to get a side hustle or create multiple income streams. That is a great idea. You may get a second job to just pay off debt. In my community there are several call centers that offer fair pay to work part time in the evening and weekends. If you are looking for an independent contractor relationship, there are many opportunities recently created by the new Gig Economy. Any economy that hires workers for short term “gigs”. Be careful, some independent side hustles can cost you more money than you make. (Think Mary Kay). You will make less per hour than you think after expenses. (Think Uber). Remember, cash flow is not the same as income.

In the past, I delivered pizzas, worked at the very first Blockbuster Video, and I worked as a teacher at Florida Virtual School.

My side hustles include tutoring students in math, photography gigs, and a Financial Coaching Business I just started. I’m an eBay Power Seller. And yes, I work full time. I believe in generating multiple income streams. You should too.

**Treat your Side Hustle like a business.** “Aww c’mon Ken, you take the fun out of everything.” Are you thinking about working a side hustle? Make sure it makes money. You will need a bookkeeper. Will it be you? Just like your personal financial life, document your income and expenses. As an independent contractor you handle your bookkeeping, self-employment tax payments, tracking your expenses, proper cellphone and cell phone plan and making sure you insure yourself for the work you are doing. It’s not a game. The world is full of hungry attorneys and they don’t care that you are just trying to make a few extra bucks to help pay for baby formula. If you cause an accident while you are delivering a pizza, the accident victims could sue you and your insurance company may refuse to pay any claims since you are using your personal car for commercial use.

**Stay Off the Road!**

Look for a side gig in the Gig Economy. Start your own service-based business to provide a service online. This gives you the flexibility to work your own hours, pick your own clients in an in-demand business. You are looking for something that has a low cost of entry, in demand, and high profit. Look for a service you can supply to business owners. Business owners are usually more reliable at paying their bills than dealing with the public.

1. Bookkeeper
2. Virtual Assistant
3. Proofreader
4. Transcription
5. Online Tutor
6. Copywriter
7. Voice Overs
8. Photo Restoration
9. Buy estate items at a cheap price and resell on eBay at retail (Lots of hidden expenses; shipping supplies, eBay and PayPal fees)
10. Airbnb Rent out a legitimate space in your home

**Pizza Delivery**

Many years ago, when my son was first born, I drove for Domino’s Pizza until I was T-boned by a convicted drug felon, who was off his ankle bracelet. I was broke, hence the part-time job, and now my car was a total loss. I was on the hook for replacing the car. Fortunately, I was current with my car note and I could purchase a new car by substituting the capital on the note. (Reassignment of Collateral is Rare, but a useful procedure to replace the totaled car with another car of equal value to the car loan) It worked. Unfortunately, the totaled car was well equipped and the new car was a base model. So now you know my feelings about pizza delivery. Especially after having a piece of my car’s side rear-view mirror pulled out of my eyelid. Fortunately, the glass did not pierce my eyeball, right? The point is, the more you are driving in traffic, at night, in foul weather increases your odds of getting into an accident. I delivered in a friendly neighborhood and on a Navy base, so there was little risk of crime. Now however, robbery and assault is a real risk. Slip and Fall is a real risk. Traffic accidents are a real risk. Many consider pizza delivery driving (including the Bureau of Labor Statistics) to be perilous.

**Uber & Lyft**

I thought the ride sharing industry was on to something. Taxis are a little less customer focused than they ought to be. I have used Uber twice and I would use them again. Uber is a disruptive technology innovation. It would never exist without smartphones and apps. However, the truth is somewhere in between. You choose your hours, so great flexibility for the driver. It pays fast. However, if it is so great to be a driver, why are the drivers striking? Uber’s Mission is to “Ignite Opportunity by Setting the World in Motion”. Sounds like a sales pitch for a multi-level marketing program. The truth is the UBER corporation is not making any money and there is talk it will never make money until its cars are self-driving. In the meantime, the company will squeeze the human drivers by paying them as little as they can. According to the Economic Policy Institute, the Uber hourly wage, after self-employment tax, ranges from a low in Miami of $8.25 per/hour to Seattle at $15.45 per/hour. There are no health benefits or 401k plans. Uber has planned with Betterment to open your own IRA. The average is $10.87 per hour. When I went to sign up as a driver there was a “sort of” a signing bonus statement promising $1,000 guaranteed for your first 150 trips. That’s $6.67 per trip! You will make all that money in return for the opportunity to destroy your car. People, you are squeezing cash (accelerated depreciation) out of your car. In return for the cash, you receive a run-down car. Replace tires, batteries, change the oil more often and more. You must consider the fuel expense, maintenance expense and your insurance liability. Have an up-to-date cell phone and cell phone plan. You have personal automobile insurance on a vehicle that is being used for a commercial purpose. What happens if you get into an accident? If you are on an Uber run, their insurance covers liability, but you are still on the hook for your collision damage and you will have to file a claim on your personal insurance policy for auto accident repairs. Uber has thought this through for their protection, but I don’t think all drivers have thought through the financial risk associated with ride-sharing. If the accident is your fault, your insurance company could deny your claims and cancel your insurance. You must contact your insurance agent to see if they offer a ride-share insurance rider to offer additional liability coverage and BUY IT! When something bad happens everyone is getting sued, no matter who is at fault. Just like the pizza delivery driver, your accident risk increases as your traffic exposure increases. Do you see why this may be a bad side gig.

There is some good news. Uber offers discounts on vehicle maintenance through select repair facilities. Uber also offers discounts on your phone plan. I’m not sure what the ride-sharing policy is on drivers wearing crash helmets. 😊<https://www.creditkarma.com/advice/i/costs-of-driving-for-uber-lyft/>

**Uber Eats**

You can be an auto, scooter, or bike delivery driver. If you are already an Uber driver, you can make Uber Eats deliveries from your Uber ride share app. How convenient. See pizza delivery above.

**I thought Dasher was a Reindeer?**

No silly, a dasher is a Door Dash Delivery person. Another side gig option that is popular. This option puts you on the road, but you are not carrying passengers. Even in the US, I don’t think a Caprese salad can you sue if it’s injured in your car. Door Dash looks easy to sign up for and allows a flexible for you. You keep 100% of your tips. remember to report your earnings to the IRS at tax time and take out your own self-employment tax form your profits. Keep in mind you will have auto maintenance and gas expenses. Good news! These expenses are legally deductible.

**Amazon Flex**

An amazon delivery service, started in 2015, allows independent contractors to deliver packages using their own vehicles to deliver Amazon packages. I suspect this could be lucrative during the Holiday Season as it stretch normal deliveries thin. You load their app and you accept jobs that are available based on their location, price, and time frame. This idea is better, as you are not responsible for anything except a few packages. Checking out their recruiting website and the results were vague. There was no information about insurance and I would think your auto insurance company would consider this a commercial use in a personal car. Their site advertises pay rates between $18.00 and $25.00 per hour. I know only one person who tried it and found the jobs profitable. Consider, like driving for Uber, you are putting extra miles on your vehicle and increasing your gas and maintenance costs.

**Freelance Work**

If you possess a special set of skills like Graphic Design, Digital Marketing, Writing, Video and Animation, or Computer Programming, consider looking into Fiverr and Upwork, on the internet, to connect with people who need your services. TaskRabbit and Flex Jobs are popular sites. There are lots of options here if you have access to a computer and high speed internet.

**Online Tutoring**

If you have teaching experience, this can be a fun and lucrative activity. There is an amazing demand from China to teach kids there, English. Try VIP Kid. <https://www.vipkid.com/teach> Other popular companies include Kaplan, Tutor.com, and Tutor ME. <https://tutorme.com/>

**Child Care or Elder Care** There is a lot of need here. Check with your community to see what prerequisites you need to enter this service business.

**Pet or House-Sitting**

Pet and House Sittinghave a low cost of entry and good demand in most areas of the country. Check with your local community for business license requirements.

**Online Bookkeeping**

Good with numbers? Have a computer and online access? You could become a “virtual” bookkeeper. QuickBooks claims you can earn about $70.00 per hour. There are startup costs, but they are minimal. The high range is about $1,300 to cover essentials like Incorporation or LLC, website, business cards, supplies, and business liability insurance. Remember, bookkeeping and owning your own business is not for everyone. Remember, the ball park numbers, regarding businesses, 39 percent are profitable, 30 percent break even, and 30 percent lose money. This job is for the reliable, trustworthy, self-managed, and you have to be great with numbers. Are you a good fit?

**Financial Coach**

This is an excellent choice for someone with a great number and listening skills. A rare combination. It is a doable part time. Financial coaching is very rewarding as you are assisting others with their financial issues. Disclaimer: Make sure your house is in order, before you give advice to others. See <https://www.afcpe.org/>

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**Multi-Level Marketing**

This is easy. Less than 1% of MLM participants make a profit in these businesses. Please run away! Run-away fast! I’ve had friends take part in several MLM organizations. No one is driving Cadillacs or living on an estate outside of Atlanta. Except the founder.

**Old School Gigs**

* House Cleaning www.housekeeper.com
* Yard Care [https://www.taskrabbit.com](https://www.taskrabbit.com/)
* General Handyperson
* Moving Furniture
* Furniture Assembly
* Car Detailing

**Other Ways to Raise Cash**

Sell that drawer full of unused gift cards.

* <https://www.finder.com/cardpool-gift-card-exchange>
* Sell Collectibles.
* Have a garage sale.
* Take your saleable stuff to the flea market.
* List and Sell your Stuff on eBay.
* Sell clothes and sports equipment at consignment shops.

**Wrap Up**

There are lots of creative and legal ways to raise some cash and supplement your income if you use a little imagination. If you decide on your own business, do the hard work of planning and preparation so you provide an authentic service to your customer. Understand the numbers. Know your expenses so you can deduct them from your business income and know that you are really making money. Doing a side gig to lose money is suboptimal. If you are not the “own your own business” type, then consider finding a part-time job.