

SPOTLIGHT ON FINANCE

Take Control of Your Finances

Tax season has begun and runs until April 15, 2016. Are you looking for a way to save money, get money back fast and free? You can save hundreds of dollars in unnecessary tax preparation fees and high interest rapid refund loans (RAL) by using one of the "Free" VITA sites across Middle Tennessee.

VITA stands for Volunteer Income Tax Assistance and is a nationwide program operational from the end of January through April 15, offered by the United Way. The VITA sites have specially trained IRS certified volunteers to help tax filers claim qualifying

credits such as the Earned Income Tax Credit, Child Care Credit, etc. Refunds are typically received within 21 days if using direct deposit. If you have questions on the Earned Income Tax Credit you can visit www.IRS.gov to learn more.

To qualify, you must meet certain requirements. If you or your family earned \$62K or less in 2015, then you are eligible for the free tax preparation service.

You can find the nearest Volunteer Income Tax Assistance (VITA) site near you by calling 2-1-1. Additionally, you can visit www.Unitedwayfilefree.com

to view the Google Map on the website and find locations offering free income tax preparation throughout Tennessee. If you are a state employee, there is a special link on www.Unitedwayfilefree.com for free tax assistance, should you have questions while preparing your income tax return. If you make more than \$62,000 per year, there would be a fee based on your Adjusted Gross Income (AGI), if using the site to file your income taxes. Other information is also available on the United Way website for various community services, second chance banking products and other financial resources that may be of benefit to you.

Don't Fall Victim to Tax Scams

The IRS reminds taxpayers to guard against all sorts of con games that arise during any filing season. Taxpayers should be wary of clicking on strange emails and websites or sharing private information over the phone.

Below are just a few of the many scams taxpayers should be aware of:

Identity Theft Scams involves the fraudulent use of the IRS name or logo by scammers trying to gain access to taxpayers' financial information in order to steal their

identity and assets. Scammers will use the mail, telephone, fax or email to set up their victims.

Caller ID Spoofing Scammers often alter caller ID to make it look like the IRS or another agency is calling. The callers use IRS titles and fake badge numbers to appear legitimate. They may use online resources to get your name, address and other details about your life to make the call sound official.

Phishing occurs by scammers using official IRS letterhead to use in



email or regular mail they send to victims. Scammers will even provide an actual IRS address where they tell the victim to mail a receipt for the payment they make, all in an

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Securing a Strong Financial Retirement— No Matter What Your Age



Who doesn't have concerns about their financial security? Often the last thing on our minds, many put off this discussion for numerous reasons. Remember, stressing over all the "immediate" day to day expenses and problems after all is enough to keep us up each night. However, working to achieve our retirement goal shouldn't have to be stressful or a time consuming task. According to a U. S. Government Accountability Office 2013 Survey of Consumer Finance analysis <http://www.gao.gov/products/GAO-15-419>, "many retirees and workers approaching retirement have limited financial resources. About half of households age 55 and older have no retirement savings (such as in a 401k plan or an IRA)."

The 2013 survey statistics show the need for preparing our youth and us on the intricacies of financial concepts. Knowledge of financial terms provides resources to make better financial decisions, both now and in the future.

Misinformation can and does often result in costly mistakes that may follow an individual throughout their adult lives. Today's youth will need numerous options to prepare for their retirement or face the prospect of working until they die. The dread of looking at our finances often hampers moving forward and establishing ways in which we can secure our financial future. Often individuals struggle with saving for the future due to either a lack of understanding of having a savings plan, or the fact that they don't have a savings account with a bank.

When deciding the best way to meet your desired outcome, remember your financial stability is about you and your family and the different priorities that will occur at different stages of your life. Staying on a stable financial track is the key to financial success.

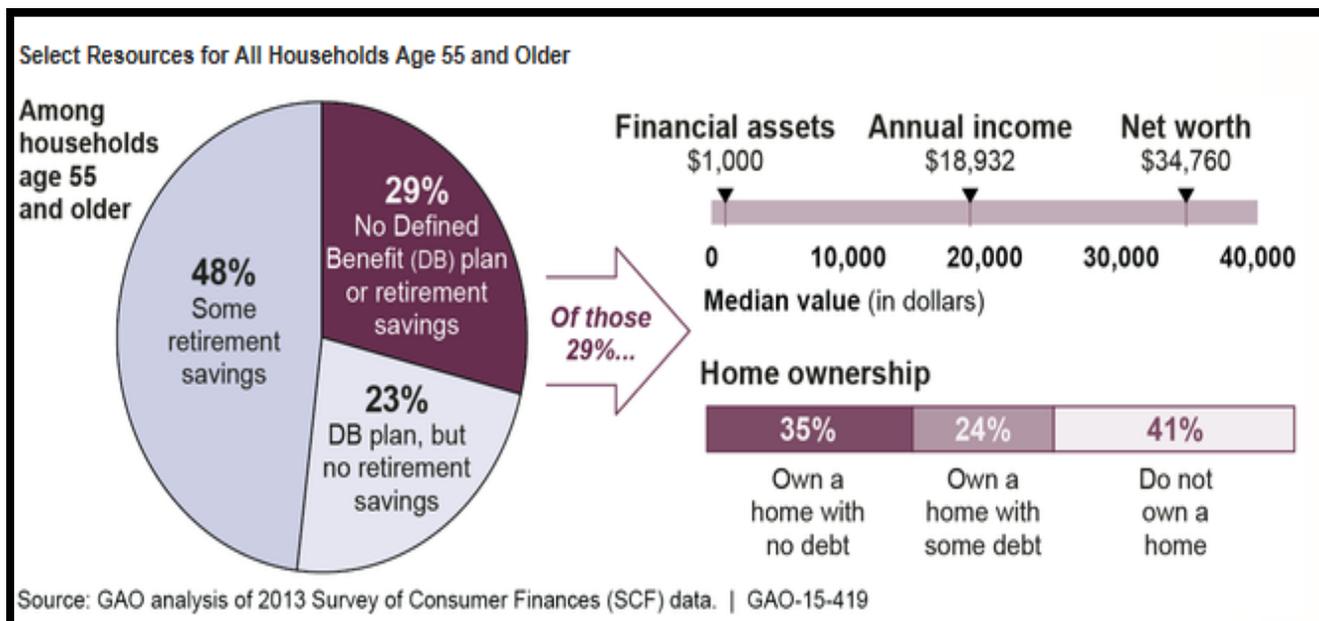
A large number of Americans lack traditional financial products such as checking or savings accounts.

Encouraging and having an open conversation about money management with our youth provides them with the tools needed to navigate and equip their financial future. In the past, many of our parents had limited options pertaining to savings and checking accounts. However, youth today are bombarded with unlimited products, resources and options.

Although retirement may be later into your future or as near as next year, it is critical to take steps to secure your financial future. The sooner you start investing the easier it will be for you to achieve the security and freedom to live life to the fullest. Remember these tips:

Invest early and have your money work for you. Investing young allows you the opportunity to compound interest earned from the profits of

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Securing a Strong Financial Retirement—Not Matter What Your Age *continued from page 2*

wise investments. Starting an investment of \$100 per month as early as age 18 could make you wealthy well before you reach retirement age.

- ⇒ **Consistent investing** allows you to generate long-term gains over time.
- ⇒ **Diversification** lowers your investment risk. If you have all your money invested in one type of investment you run the risk of losing a lot of money.
- ⇒ **Consider the tax benefits**, use

an investment option that provides you a tax benefit. Many don't realize how much of your income goes to pay taxes.

Developing and maintaining a financial strategy simply put means, starting immediately to secure your future, being consistent with the strategy you develop, creating diversification for those investments and using options that provide tax benefits that achieve your long-term future success.

To obtain an unofficial estimate of your TCRS benefits use the retirement calculator at <http://treasury.tn.gov/tcrsapp/> or contact the Tennessee Department of

Treasury to assist in obtaining a realistic idea of what you can expect with your retirement.



The Real IRS will not:

- ◆ Call you to demand immediate payment. The IRS will not call you if you owe taxes without first sending you a bill in the mail.
- ◆ Demand that you pay taxes and not allow you to question or appeal the amount that you owe.
- ◆ Require that you pay your taxes a certain way. For instance, require that you pay with a prepaid debit card.
- ◆ Ask for credit or debit card numbers over the phone.
- ◆ Threaten to bring the police or other agencies to arrest you for not paying.

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attempt to make the scheme look official.

Scare Tactics scammers are aggressive and sophisticated when trying to scare people into making a false tax payment that ends up with the criminal. Many phone scams use threats to try to intimidate you so you will pay them money. They may use threats such as arrest, deportation, or that they will revoke your license if you don't pay. They may also leave



“urgent” callback requests, sometimes through “robo-calls” via phone or email. The emails will often contain a fake IRS document with a phone

number or an email address for you to reply. The IRS does not initiate taxpayer communications through email. Unsolicited email claiming to be from the IRS or from an IRS-related component such as EFTPS should be reported to the IRS at phishing@irs.gov.

To learn more about the many tax-related schemes, scams, identify theft and frauds please visit <https://www.irs.gov/usa/Tax-Scams-Consumer>.

America Saves Week is February 22-27, 2016!

America Saves Week (www.americasavesweek.org) is a nationwide effort to highlight the importance of savings and the economic and financial impact this can have in your life as you work to build wealth. America Saves Week will take place February 22-27, 2016. During this time, analyze your personal financial situation and determine either a short or long-term goal you would like to achieve and pledge to save during America Saves Week!

America Saves Week is coordinated by America Saves and the American Savings Education Council. Started in 2007, the Week is an annual opportunity for organizations to promote good savings behavior and a chance for individuals to assess their own saving status. Typically thousands of organizations participate in the Week, reaching millions of people.

In support of America Saves Week, a number of partner organizations will be hosting a table in Legislative

Plaza on Tuesday, February 23, 2016. If you work in downtown Nashville, stop by during the day and advise of your savings plans.

