

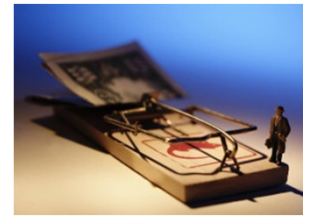
# MY MONEY



**EARN IT. KEEP IT. SAVE IT.**

Provided by the Tennessee Alliance for Financial Independence, United Way of Metropolitan Nashville

# EARN IT. KEEP IT. SAVE IT.



While money doesn't grow on trees, *My Money Tree: Earn it. Keep it. Save it*, is YOUR financial plan that includes information on ways to earn more, keep more and to save more of your hard earned money. Even those living on very fixed incomes can find ways to save a little for emergencies and big purchases.

This guide was written with you in mind. All the suggestions will not apply to every individual, but there are tips and ideas that every income level can use to increase their financial stability. This guide was written and published by the Tennessee Alliance for Financial Independence, the United Way of Metropolitan Nashville and funded in part by the Tennessee Department of Human Services. Permission to download and co-brand is granted. This guide is available in sections or in its entirety.

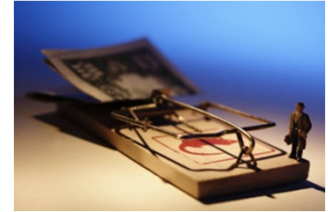


For additional information: Tennessee Alliance for Financial Independence, 250 Venture Circle, Nashville, TN 37228 615-780-2428. [www.tnafi.org](http://www.tnafi.org) or [www.mymoneytn.org](http://www.mymoneytn.org)

# EARN IT.



# KEEP IT.



# SAVE IT.



## MAKING ¢ENT\$ OF INCOME TAXES

### SECTION THREE

To download the complete My Money Tree publication with all six topic sections, go to [www.tnafi.org/resources](http://www.tnafi.org/resources) and download My Money Tree.



# FEDERAL TAX BASICS

SMART CHOICES,  
www.Mass211.org

TO FIGURE YOUR TAX		FOR EXAMPLE
Start with your	<b>Income</b>	Job, unemployment, insurance
Then take away your	<b>Adjustments Deductions Exemptions</b>	Student loan interest, Head of Household You + Dependents
Whatever's left is	<b>Taxable Income</b>	\$0.00 or more
Taxed are your	<b>Tax rate</b>	10%-35%
Leaving you with	<b>Your tax</b>	\$0.00 or more
Which can be reduced by	<b>Credits that ARE NOT refundable</b>	Childcare, education, retirement, child tax credit
& Reduced more by	<b>Payments &amp; Credits that ARE refundable (a refundable credit is a credit that you can get as part of your refund)</b>	Withholding, earned income credit, additional child tax credit
Payments & credits not needed to pay tax all go into	<b>YOUR REFUND</b>	\$\$\$\$\$\$
That you can	<b>Direct Deposit into 3 separate accounts</b>	Checking account Savings account U.S. Savings Bond.

# GET FREE TAX PREPARATION AND MORE MONEY BACK - FAST.



**Did your family  
earn less than  
\$49,000 in 2010?**

If so, you probably qualify  
for **FREE** and **FAST** tax  
preparation and the Earned  
Income Tax Credit (EITC)!

CALL 2-1-1  
to find out how!



**Volunteer Income Tax Assistance (VITA) programs provide free tax preparation and help households claim qualifying tax credits. You could be missing out on hundreds of dollars! Call 2-1-1 to find a VITA site nearest you. Or visit these VITA partners:**

- ❖ United Way of Greater Knoxville/ [www.unitedwayknox.org](http://www.unitedwayknox.org)
- ❖ United Way of Metropolitan Nashville/ [www.nashvilleafi.org](http://www.nashvilleafi.org)
- ❖ United Way of the Mid-South/ [www.uwmidsouth.org](http://www.uwmidsouth.org)
- ❖ United Way of Williamson County/ [www.uwwc.org](http://www.uwwc.org)
- ❖ United Way of the Greater Clarksville Region / [www.liveunitedclarksville.org](http://www.liveunitedclarksville.org)
- ❖ Mid Cumberland Community Action Agency/ [www.mid-cumberlandcaa.com](http://www.mid-cumberlandcaa.com)
- ❖ United Way of Roane County/ [www.unitedwayrc.org](http://www.unitedwayrc.org)
- ❖ Douglas Cherokee Economic Authority/ [www.douglascherokee.org](http://www.douglascherokee.org)
- ❖ Urban League of Greater Chattanooga/ [www.ulchatt.net](http://www.ulchatt.net)
- ❖ South Central Human Resource Agency: 931-433-7182 x130 or 1-800-221-2642 x130 and ask for Jackie.

**Or CALL 2-1-1**

# Earn it. Keep it. Save it.

## WHAT YOU WILL NEED TO BRING TO THE VITA SITE:

- Proof of identification
- Social Security Cards for you, your spouse and dependents** and/or a Social Security Number verification letter issued by the Social Security Administration
- Birth dates for you, your spouse and dependents on the tax return**
- Current year's tax package if you received one
- Wage and earning statement(s) Form W-2, W-2G, 1099-R, from all employers
- Interest and dividend statements from banks (Forms 1099)
- A copy of last year's federal and state returns *if available*
- Bank routing numbers and account numbers for Direct Deposit
- Total paid for daycare provider and the daycare provider's tax identifying number** (the provider's Social Security Number or the provider's business Employer Identification Number)
- To file taxes electronically on a married-filing-joint tax return, both spouses must be present to sign the required forms.

## TAX TIPS

- Earn more in each paycheck by making withholding adjustments to your W-4.
- ✓ Get your tax refunds fast and free through Volunteer Income Tax Assistance sites and claim qualifying tax credits like the Earned Income Credit.
  - ✓ Avoid Rapid Refund Loans and keep more of your hard earned money.
  - ✓ Save a portion of your tax refund for emergencies.
  - ✓ Save time by bringing all your necessary paperwork. See Side bar for details.
  - ✓ Prepare your own taxes for free by going to [www.mymoneytn.org](http://www.mymoneytn.org) and click on Beehive.

# The Earned Income Credit and the Child Tax Credit: You Could Owe Less in Taxes and Get Cash Back from the IRS!

- If you worked in 2010 — full-time or part-time — you may qualify.
- Even if you don't owe income tax you can get the credits.

## If You Had Children Living With You for More than Half of 2010:

- **For the EIC**, children must be under 19 in 2010. (Full-time students can be under 24; children who are permanently and totally disabled can be any age.)
- **For the CTC**, children must be under 17 in 2010.

## If You Did Not Have Children Living With You:

- You may claim **the EIC** if you were between ages 25 and 64 in 2010.

## How Much Can I Earn? How Large a Tax Credit Can I Get?

<b>For the EIC, if you have:</b>	<b>Earned income less than:</b>	<b>Claim an EIC up to:</b>
1 child	\$35,535	\$3,050
2 children	\$40,363	\$5,036
3 or more children	\$43,352	\$5,666
No children	\$13,460	\$457
<b>For the CTC, if you have:</b>	<b>Earned more than:</b>	<b>Claim a CTC up to:</b>
1 or more children	\$3,000	\$1,000 per child

*EIC income limits for married workers are \$5,000 higher!*

## What if I'm Not a U.S. Citizen?

### Immigrants who work and meet other guidelines may qualify.

- **For the EIC:** worker, spouse and any child claimed needs a valid Social Security Number.
- **For the CTC:** either a Social Security Number or Individual Taxpayer Identification Number (ITIN) is needed.

## File a Federal Tax Return to Get the EIC and CTC: Get Free Help!!!

- VITA — Volunteer Income Tax Assistance — helps people fill out tax returns for free.
- Trained community groups operate VITA. **For a site near you, call 1-800-906-9887.**

## Also—Make Sure You Get Your *Making Work Pay Credit*—an extra \$400!

Many workers got the Making Work Pay Credit in 2010 in their paychecks. But if you were self-employed, or didn't earn enough to have income tax withheld, you can claim this credit on your tax return.

## If You Work, You Can Get These Tax Credits and Not Lose Other Public Benefits

EIC, CTC and Making Work Pay Credit refunds won't count as income when you apply for or renew benefits like food stamps (now called SNAP), SSI, Medicaid, cash assistance, or public housing. Some benefit programs may have a limit on how long you can keep your refund in a bank account.

# Bottom Line:

Keep your money and Avoid Rapid “Rip-off”

## PAID TAX PREPARER WITH ADVANCED REFUND LOAN:

\$150 (Average Tax Prep Fee)

+\$100 (150% average APR)

**= \$250 YOU LOSE!**

Just to get your money today

*This is approx. 34.5 minimum wage hours (before taxes!) Think of what you could do with an extra \$250? Save for emergency, car repair, pay ahead on rent, pay off high interest debt etc.*

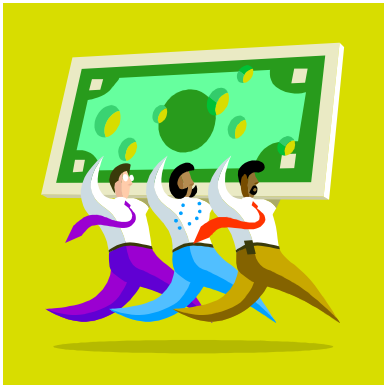
# OR **VITA SITE – NO FEE**

- FREE Tax Preparation
- Get Refund within 2 weeks with Efile
- Claim all entitled tax credits –EITC, Child Credit, Work for Pay Credit.

# IT’S YOUR MONEY- KEEP IT!



# What Could Your Family Do With \$457 (or more)?



The Earned Income Tax Credit is a refundable federal income tax credit for low income workers. If the tax credit is more than the amount of taxes owed it means money in the pocket of those who qualify and claim it!

## HOW MUCH COULD YOU QUALIFY FOR?

- Working parents with no children who earned less than \$13,440 (\$18,440 if married) up to \$457
- Working parents with at least one child who earned less than \$35,463 (\$40,463 if married) up to \$3,043.
- **Working parents with more than one child – up to \$5,657!**

**20-25% of EITC refunds is left unclaimed!!**



Effective 2010 Tax season. Subject to change for 2011 tax season.

# INTERNET RESOURCE GUIDE

(Provided by the Responsible Lending Collaborative)

## GUIDE TO FINANCIAL EDUCATION RESOURCES

[www.nefe.org](http://www.nefe.org)  
[www.assetplatform.org](http://www.assetplatform.org)

## GOOD BASIC INFORMATION

[www.smartaboutmoney.org](http://www.smartaboutmoney.org)  
[www.Buy.cuna.org](http://www.Buy.cuna.org)  
[www.fool.com](http://www.fool.com)  
[www.credit.org/resources\\_financial\\_tools](http://www.credit.org/resources_financial_tools)  
[www.financial-education-icfe.org](http://www.financial-education-icfe.org)  
[www.mymoneymanagement.net](http://www.mymoneymanagement.net)  
[www.afsaef.org](http://www.afsaef.org)  
[www.moneysbestfriend.com](http://www.moneysbestfriend.com)  
[www.thebeehive.org/money](http://www.thebeehive.org/money)

## ONLINE PERSONAL MONEY MANAGEMENT

[www.mint.com](http://www.mint.com)  
[www.justthrive.com](http://www.justthrive.com)  
[www.geezeo.com](http://www.geezeo.com)  
[www.yodlee.com](http://www.yodlee.com)

## PERSONAL FINANCE SOFTWARE & REVIEWS

[Personalfinancesoftwarereviews.com](http://Personalfinancesoftwarereviews.com)  
[www.mvelopes.com](http://www.mvelopes.com)  
[www.Money.strands.com](http://www.Money.strands.com)  
[www.ynab.com](http://www.ynab.com)

## ONLINE FINANCIAL LITERACY

[www.teachbanzai.com](http://www.teachbanzai.com)  
[www.360financialliteracy.org](http://www.360financialliteracy.org)  
[www.Elearning.mindyourfinances.com](http://www.Elearning.mindyourfinances.com)  
[www.nslpflonline.org](http://www.nslpflonline.org)  
[www.creditcards.com](http://www.creditcards.com)

## RESPONSIBLE LENDING

[www.safeborrowing.com](http://www.safeborrowing.com)  
[www.affil.org](http://www.affil.org)  
[www.responsiblelending.org](http://www.responsiblelending.org)  
[www.Ourfinancialsecurity.org](http://www.Ourfinancialsecurity.org)  
[www.paydayloaninfo.org](http://www.paydayloaninfo.org)

## INVESTING BASICS

[www.educatedinvestor.com](http://www.educatedinvestor.com)  
[www.themoneyalert.com](http://www.themoneyalert.com)  
[www.investoreducation.org](http://www.investoreducation.org)

## FORECLOSURE INFORMATION

[www.hud.gov/foreclosure/index.cfm](http://www.hud.gov/foreclosure/index.cfm)  
[www.irs.gov/newsroom](http://www.irs.gov/newsroom)  
[www.foreclosurehelpandhope.org](http://www.foreclosurehelpandhope.org)

[www.aarp.org/money/credit\\_debt/above\\_water](http://www.aarp.org/money/credit_debt/above_water)  
[www.freddiemac.com/corporate/buyown/english/owning/avoid\\_foreclosure](http://www.freddiemac.com/corporate/buyown/english/owning/avoid_foreclosure)

## SAVINGS, THRIFT

[www.americasaves.org](http://www.americasaves.org)  
[www.choosetosave.org/tips](http://www.choosetosave.org/tips)  
[www.tennesseesaves.org](http://www.tennesseesaves.org)  
[www.pueblo.gsa.gov](http://www.pueblo.gsa.gov)  
[www.treasurydirect.gov](http://www.treasurydirect.gov)

## FEDERAL RESERVE; BANK FINANCIAL EDUCATION

[www.federalreserveeducation.org](http://www.federalreserveeducation.org)  
[www.mymoney.gov](http://www.mymoney.gov)  
[www.consumeraction.org](http://www.consumeraction.org)

## YOUNG ADULTS & CHILDREN

[www.consumerjungle.org](http://www.consumerjungle.org)  
[www.moneychoices.com](http://www.moneychoices.com)  
[www.practicalmoneyskills.com](http://www.practicalmoneyskills.com)  
[www.financial-education-icfe.org](http://www.financial-education-icfe.org)  
[www.fdic.gov/consumers/consumer/moneysmart/young](http://www.fdic.gov/consumers/consumer/moneysmart/young)  
[www.cashcourse.org/home](http://www.cashcourse.org/home)  
[www.feedthepig.org](http://www.feedthepig.org)

## GAMES & SIMULATIONS

[www.investoreducation.org/savings\\_game](http://www.investoreducation.org/savings_game)  
[www.celebritycalamity.com](http://www.celebritycalamity.com)  
[www.Piggybank.disney.go.com/media/ap/piggybank](http://www.Piggybank.disney.go.com/media/ap/piggybank)  
[www.practicalmoneyskills.com/games/trainingcamp](http://www.practicalmoneyskills.com/games/trainingcamp)  
[www.bos.frb.org/peanuts](http://www.bos.frb.org/peanuts)

## WOMEN'S FINANCIAL PLANNING

[www.wife.org](http://www.wife.org)

## MILITARY & THEIR FAMILIES

[www.saveandinvest.org/Military](http://www.saveandinvest.org/Military)  
[www.militarymoney.com](http://www.militarymoney.com)  
[www.kiplinger.com/reports/military-families](http://www.kiplinger.com/reports/military-families)

## FRAUDS, SCAMS, IDENTITY THEFT, PRIVACY

[www.midsouth.bbb.org](http://www.midsouth.bbb.org)  
[www.phishinginfo.org](http://www.phishinginfo.org)  
[www.fraud.org](http://www.fraud.org)  
[www.idtheftcenter.org](http://www.idtheftcenter.org)  
[www.privacyrights.org](http://www.privacyrights.org)

## CREDIT SCORES/REPORTS/REPAIR

[www.myfico.com](http://www.myfico.com)  
[www.annualcreditreport.com](http://www.annualcreditreport.com)

**MY MONEY TREE** is a publication of the  
**Tennessee Alliance for Financial Independence**  
partners and these partnering agencies:



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Place Your Logo Here

615-780-2444  
www.nashvilleafi.org or www.mymoneynashville.org

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For additional information: Tennessee Alliance for Financial Independence, 250 Venture Circle, Nashville, TN 37228 615-780-2428. [www.tnafi.org](http://www.tnafi.org) or [www.mymoneytn.org](http://www.mymoneytn.org)