

## Refund Time

It's that time of the year again! As the seasons begin to change New Yorkers begin to plan for TAX DAY—April 15. This newsletter will help you plan ahead and make the best of your tax refund.



## To pay or not to pay?

Tax season brings the possibility of a tax refund, so you may be eager to get the process started. Before you do, consider whether paying to get your taxes done is the best way to get the most out of your refund.

Some community tax preparers and agencies charge fees that are extremely high—sometimes \$400 or more! This fee will be deducted from your refund and so leaves you with less money to use at your leisure.

Alternatives to using a tax preparer that charges a fee is to file your taxes on your own, or go to a **Volunteer Income Tax Assistance (VITA) site that can provide the same service for FREE, allowing you to keep all of your refund.** Services at VITA sites include e-filing and direct deposit of your refund.

VITA sites can:

- Prepare all types of tax forms
- Apply for all eligible tax refunds
- Help you file for back taxes (if needed)

**For more information call 311 and ask for a VITA site near you. Or visit the NYC VITA site finder at <http://www1.nyc.gov/assets/dca/TaxMap/>.**

## Contact Us

**Project HOME** offers phone check-ins to help you stay connected to services and to answer any questions you may have. Please note you can always reach out to Project HOME staff via phone or email.

## How to use your refund?

Now that more of your money is in your pocket the question is, *What to do with it?* It is often tempting to splurge on ourselves and our family but here are some options that could help you be more financially stable in 2017.

- **Pay your rent ahead of time!** This can give you some breathing room for the months ahead.
- **Pay down your debt!** It is important to know what type of debt you have and how to minimize it as quickly as possible. *Speak to a financial adviser so you can determine the best way to tackle your debts.*
- **Begin an Emergency Fund!** Saving money for a rainy day is crucial for financial stability. *Visit your local credit union and learn about saving products.*
- **Improve or build your credit!** Thanks to credit unions and some local banks it is easier to build your credit with safe and affordable financial products. Consider taking out a credit builder loan or a certified credit card. *Visit your local credit union or discuss it with your financial adviser.*

## Why Use a Credit Union?

- Most credit unions are community-based and are convenient.
- Credit unions tend to have more affordable financial products and programs, and competitive interest rates. Products include savings accounts, credit building tools, mortgages and personal loans.
- Credit unions have the same guarantees and money protection as regular banks .
- Most credit unions offer personal service and sometimes personal financial advisers as part of their services.

**Yuly Rodriguez, Director**

646.472.0262 x 28. [YRodriguez@newdestinyhousing.org](mailto:YRodriguez@newdestinyhousing.org)

**Shanique Merritt, Coordinator**

646.472.0262 x 12. [SMerritt@newdestinyhousing.org](mailto:SMerritt@newdestinyhousing.org)

**Valerie Mercado, Coordinator**

646.472.0262 x 15. [VMercado@newdestinyhousing.org](mailto:VMercado@newdestinyhousing.org)

## Free Financial Advice

Sometimes it is easier to tackle our finances with some help and guidance. Luckily there are many FREE and CONFIDENTIAL services in New York. Below are some suggestions.

- **Office of Financial Empowerment:** The city has teamed up with multiple agencies to provide financial services to New Yorkers. Call 311 and ask for your FREE appointment.
- **Financial Clinic:** The Financial Clinic offers financial counseling services at the Family Justice Centers (FJCs). If you have received services at the FJC in the past or you are a Project HOME client, this might be a convenient option for you. Walk into a FJC and ask for an appointment.
- **Neighborhood Trust Financial Partners:** This organization offers evening and weekend hours, and they have multiple sites throughout the city. Call 212-927-5771 ext. 207 or 200 to schedule your appointment.

*“I was so anxious about meeting with a financial adviser, I postponed it for a while. I am so glad I FINALLY did it! The appointment was so helpful and things were not as bad as I thought they were. I learned that I have rights as a consumer.”*

— Deborah,  
Project Home Client

## A Financial Exercise

We have all heard that budgets are the key to our financial stability but we also know that using them can sometimes be overwhelming. Financial advisers can help you develop a realistic budget for your needs but knowing where your money goes is the key to a useful and successful budget.

Begin by tracking your daily expenses for two weeks, eventually building up to a full month. Tracking expenses will help you to see where your money is going (ALL your money). By doing this exercise you can find your financial leaks and how much they are costing you.

### What is a financial leak?

Imagine a small bathroom leak. There is no need to call the plumber because it's barely noticeable, so you decide to put a bucket under the sink. When you check back at the end of the week the bucket is almost full and if this goes by unchecked it could potentially cause a flood. It's the same idea but in financial terms. A financial leak is an expense that is barely noticeable, but has the potential to cause a big financial deficit either monthly or annually.



Deborah, a Project HOME client, decided to do this exercise and found a big spending leak, her daily breakfast! After doing the two week exercise, Deborah discovered that eating breakfast out everyday and also buying two to three cups of coffee throughout the day was costing her **\$200 each month!**

This is what her leaks looked like:

**Daily breakfast (\$5) + 3 coffees each day (\$5) = \$10 per day  
x 5 days per week = \$50 per week  
or \$200 per month or \$2,400 per year!**

Deborah was shocked to discover this leak. This was money she could save or even use for a vacation with her family.

Deborah was trying to stay financially stable, but no matter what she did she always felt that her finances were out of her control. After learning about her spending leaks she was able to make choices on a daily basis that made a huge difference to her financial stability—both short and long term. Some people have multiple leaks, find out how much money YOU can have at the end of 2017. **Give this exercise a try and see how you can take control of your money TODAY!**