

Money \$ Matters

Money is a strange thing, it opens doors, provides choices but without a healthy mindset about money moving from a place of constant worry about money into financial maturity isn't an easy transition.

Money Matters is an informative newsletter designed To provide insight on certain subjects as it relates to money, budgeting, financial planning and more.

Now many magazines offer this information but mainly To the people who already have money, but what about the average person, average income, this newsletter if for you, you may begin average but knowledge is the bridge that can move you from average to extraordinary!

Tax Information You Should Know

It's the famous quote, to get something you have never had before you must do something you have never done; well it's true. How to achieve this is another story. It's tax time so let's start here.

Start right now preparing for tax season next year!

Another year, another promise, another disappointing or surprising tax season; each year you should learn something about your income, about your financial situation that makes you do or prepare for the next year. Going from year to year, learning nothing or improving nothing =financial ignorance. Not to sound harsh but just like we evaluate our style, closets, clothes, relationships etc... we must be responsible to evaluate our finances for improvement and growth.

Planning or No Planning

People who fail to plan, plan to fail. Attend any financial conference or multi-level marketing conference and you will hear that line; the thing is it's true. Too often people feel as though only those of a financial class should plan or strategize



People either grow/mature and become better or they age and become old as well as insignificant. There was a time when I felt that because it didn't come early it wouldn't come but through the process of growing I am learning it's not where you begin but where you end. NOW YOU CAN DECIDE IT'S TOO LATE and if that's how you feel you are right or you can decide to grow and keep leaving despite starting small and end larger than life! YOUR CHOICE! I chose the latter. KMGD

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Planning or No Planning....

The way one perceives or thinks about money is a vital key to how effective and how well the money in hand is managed. Those not born with it often treat money is an arbitrary solution to all life's challenges and as a result one enter a cycle of gain and spend which never yields or plans for investment or for money to earn itself.

Inevitably it requires one to keep

making more and more money and gaining less and less wealth or financial security. Money is a means of exchange and the value of it depends on what you can exchange it to gain.

If one is going to grow financially mature he or she must change the way money is viewed and disposed.

The way one views money determines how well he or she will manage it. Either money is an arbitrary solution to all problems or it is a means to achieve certain goals; one thought = poverty the other thought = financial security. YOUR LIFE YOUR CHOICE

Inside Story Headline

Know and understand Earned Income limits. If you don't understand, ask and look at your W2's from year to year so you can effectively plan for the future.

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Budgeting is essential, effective and a method to financial freedom but it is avoided because too often it is viewed as financial restrictions.

Tax Information Cont'd.....Things U Should Know

1. The general rule is that for federal taxes, your taxes should be 10% of your gross income.

Financial Planners will say if you receive large refunds you can change your w2 to get more money back during the year instead of allowing the IRS to keep the money and give it to you without interest. In theory that's a great concept but in order for that to work one must save the additional funds received on the check. So one receiving an extra \$20-30 on your check would have to put that money in a savings account and not touch it as well as earn real interest BEFORE this financial theory will help the average or should I say below average earning tax payer instead of one receiving a lump sum at year end. **YOU BE THE JUDGE** and be real with you. This is one of those things which sound good in theory but doesn't apply to all.

2. View your paystubs regularly so you can be aware of just how much is being deducted. Many young people making \$8k didn't even have \$200 coming out their check; boy can you imagine their faces when I did their return? Not only that, NONE OF THEM HAD \$800 SAVED ANYWHERE.
3. Know and understand the Earned Income Limits before you get excited about a huge refund. **1 qualifying child, your earned income less than \$36,052 (\$41,132 if married filing jointly) 2 qualifying children, your earned income less than \$40,964 (\$46,044 if married filing jointly) 3 or more qualifying children, your earned income must be less than \$43,998 (\$49,078 if married filing jointly)** If your income falls in these categories, know your earned income credit will be low. The closer you are to these numbers the less or no earned income you will receive.

More to come next issue.....

