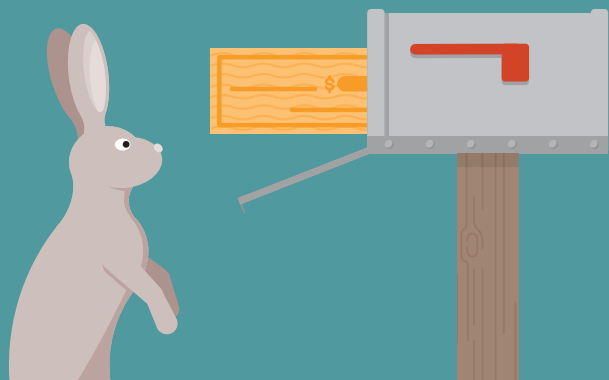


## SAVING AT TAX TIME

# How can I save when I get a tax refund?



### This tool will help you:

- **Brainstorm** ways to use your refund
- **Commit to spending and saving** portions of your refund for specific goals
- **Decide the total amount** that you will allocate to each area

### Keep in mind:

You can have your tax refund direct deposited into up to three accounts.

You can use the strategies in this tool to help you prioritize how you spend and save other large sums of money.

Start with one question:

**How will you get your taxes prepared this year?**

## Additional resources

In addition to saving a portion of your tax refund, here are a few ways to save during the tax process.

If you need assistance in preparing and filing your returns one of your choices is to visit a Volunteer Income Tax Assistance (VITA) site. IRS-certified volunteers can help you file your taxes and make a plan for your refund, all for free. Find a site by visiting [irs.treasury.gov/freetaxprep](https://irs.treasury.gov/freetaxprep) or call (800) 906-9887.

**If you use a paid preparer to do your taxes**, they may offer you a refund advance loan or a refund anticipation check. Refund advance loans may get you a portion of your refund faster, but you will have to pay a fee. To speed up your refund without paying a fee file your taxes online and use direct deposit.

**The Earned Income Tax Credit (EITC)** is a benefit for people who are working, but have low-to-moderate income. For more information, visit [irs.gov/credits-deductions/individuals/earned-income-tax-credit](https://irs.gov/credits-deductions/individuals/earned-income-tax-credit).

**TIP:** *Your federal tax refund, including all tax credits and overwithholding, is exempt from the asset limit test for most public benefits for 12 months after receipt.*

**The Child Tax Credit (CTC)** reduces the taxes you owe by up to \$2,000 for each qualifying child under the age of 17 if you meet certain criteria. For the most current information visit [irs.gov/publications/p972/ar02.html](https://irs.gov/publications/p972/ar02.html).

**Purchase a Series I Savings Bond** and earn interest from the government. You don't need a bank account and you can give bonds as a gift. For more information visit [treasurydirect.gov/indiv/research/indepth/ibonds/res\\_ibonds\\_ibuy.htm](https://treasurydirect.gov/indiv/research/indepth/ibonds/res_ibonds_ibuy.htm).

# Make a plan for your **tax refund**.

**TIP:** Tax time is an opportunity to save for your goals and take care of urgent needs, but don't forget to allocate some money for yourself.

**1** Estimated tax refund amount: \$ \_\_\_\_\_

**2** Think of ways to use your refund.

**What are my current expenses?**

Examples: bills, home repair, debt.

**What can I save for the future?**

Examples: savings account, emergency fund, family trip, etc.

**How can I do one nice thing for myself?**

Examples: save for a goal, buy yourself a gift, etc.

**3** Prioritize how you'll use your refund.

Use your answers from Step 2 to help you decide what is most important to you.

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

4. \_\_\_\_\_

5. \_\_\_\_\_

**4** Estimate how you'll spend your refund.

I'll use...

\$ \_\_\_\_\_ for current expenses,

\$ \_\_\_\_\_ for savings,

\$ \_\_\_\_\_ for myself.