

# TAX TOPICS

## Savvy Ways To Save

(NAPSA)—When it comes to taxes, a little bit of preparation can be money in the bank and make the whole situation less taxing. Most people should focus on these three important areas:

### **Tax Planning— a yearlong activity**

- Educate yourself regarding the Child Tax Credit. Families can cut their tax bill or increase their refund by up to \$1,000 per qualifying child.

- Speak with a certified tax planner to make sure you're withholding the appropriate amount from your paycheck.

- Take advantage of the tax benefits a retirement account offers.

- Cover medical costs with a health care account if it's available at your job. The money is taken from your paycheck pretax.

- Get tax benefits and plan for your family's future with a 529 college savings plan that grows with your child—tax free. For practically effortless savings, you can link the plan to the Futuretrust college savings program to earn a 1 percent rebate on all purchases—even more at some partners.

### **Filing Taxes—simple, if you've planned properly.**

- You can file online.

- Professional tax return preparers can help you file an accurate return while making sure you claim every tax benefit you're eligible for.

- Remember, the tax deadline is the date on which your previous year's tax obligations must be fully paid and your tax return forms are due in April. If your tax adviser recommends filing for an extension, make sure you pay any estimated tax due—otherwise,



**The purchases you make today can help you save for your child's college education.**

you'll owe the government interest on any unpaid amount.

### **Be Refund Savvy— with these tax-smart options:**

- Credit cards can help build a good credit record and pay dividends in other ways. Just pay the balance monthly to avoid high interest rates.

- Deposit your tax refund into a college savings account each year. File IRS Form 8888 to have your refund direct deposited, even into multiple accounts such as your child's 529 and your retirement account. Direct deposit guarantees refunds won't get lost and e-filing ensures your refund will arrive within eight to 15 days.

- Create an emergency fund to cover unexpected repairs or medical expenses. Invested in a CD or mutual fund, the right amount should cover three to six months of living expenses.

### **Learn More**

For more information on how 529 accounts can be an important part of your family's college savings and tax planning, log on to [www.futuretrust.com](http://www.futuretrust.com) or call (888) TRUST-68.