

MAKING CENTS

What should you be doing with your tax return?

For many members, the only good thing about filing a tax return is the hope of a tax refund. Many use their refund for vacations and impulse purchases. There are more beneficial ways to use your refund that could provide for long-term financial flexibility.

SAVING



Allocating 20% of your refund to savings is a start to financial freedom. Accumulating 2 months worth of income in a savings account lets you jump off the cycle of living paycheck to paycheck. By having savings you don't have to rely on high interest rate debt to pay of unexpected expenses.



REDUCTION

Applying part of your refund to pay down high interest debt is a smart move to get ahead. It can save you hundreds in interest and shorten the time you are making payments. Paying down a credit card is going to give you more satisfaction than any potential impulse purchase will.

INVESTMENT



Never too young or old to invest. Your future self will thank you by putting a portion of your refund into a retirement account (IRA). Anything you do now to help yourself financially down the road is a sound financial plan. It's also a great way to get more out of those refund dollars over the long haul.



IMPROVEMENT

Using some of the money to tackle home maintenance items you've been putting off can help you avoid bigger repairs in the future. Small improvements like something as simple as a fresh coat of paint can increase the appeal and value of the home to yourself or perspective buyers.

Looking for more financial tips to help build a solid future? Let's talk!



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