$MART MONEY TIP$

Making ends meet in NYC can be challenging. The Department of Consumer Affairs' Office of Financial Empowerment offers smart tips to help you make the most of your hard-earned money:

1 Claim tax credits like the EITC and New York City's Child Care Tax Credit.

If you make less than $40,000, you may be eligible to claim the Earned Income Tax Credit (EITC), which could return as much as $6,000 for your family.

If you make $30,000 or less and pay child care expenses for children 3 and under, you may qualify for the New York City Child Care Tax Credit, a *new* local tax credit of up to $1,733.

Dial 311 for more information and to learn about free and low-cost tax preparation assistance.

2 Open a checking or savings account.

The first step toward protecting—and growing—your money is to put it in a checking or savings account. All banks and credit unions must offer low or no-fee bank accounts. The money in these accounts is insured by the federal government, which means it's safe. By keeping your money away from your home or wallet, you can avoid bad spending decisions and even earn interest.

If you want to open a bank or credit union account, shop around and make sure to ask about monthly fees, ATM usage fees, and fees for bounced checks and over-drawn accounts. If you already have an account, you can arrange for direct deposit of your paycheck—and tax refund. If you file your taxes electronically, you could receive a refund in as little as 10 business days with a direct deposit.

3 Make a budget and stick to it!

How much do you earn each month? Determine what bills must be paid and see what's left over to save in a savings account. Even if you can put aside only $5, $10, or $25 a month, you are building an important safety net to see you through emergency expenses. If you know your monthly budget—and stick to it—you can spend and save responsibly.

4 Choose and use credit cards wisely.

Shop around for a credit card with the best rates and terms. Look particularly for low interest rates on purchases and no annual fees. Check your statement each month. Credit card companies often change rates without notice. If you find that your interest rate increased, call the company immediately and ask for a lower rate or start looking for a new provider. **Warning:** you'll pay higher interest rates for cash advances on your credit card than for actual purchases. Only use a cash advance in real emergencies and make sure to pay off balances as soon as possible.

5 Pay off debt.

You can save hundreds of dollars each year by paying down your credit card and loan balances as soon as possible. Pay off debts with the highest interest rates and fees first. Also, avoid paying only the minimum amount due.

If a debt collector contacts you, never ignore the notice. Make sure the information is accurate before agreeing to pay.

If the debt is valid, some collection agencies will work with you to create a repayment schedule. Also, some community-based organizations and credit unions offer free and reliable financial counseling services.

If you believe the debt isn't valid, make sure to send a letter to the debt collection agency within 30 days of getting the notice and ask for information showing that you actually owe the debt. If you continue to be billed for debts you do not think you owe or you are being harassed, call 311 to file a complaint with DCA.

6 Get a free copy of your credit report.

Good credit is established by paying bills on time and in full. It can help you get student loans, buy a car or home, or start a business. You can get one free credit report each year—go to www.annualcreditreport.com to request your free credit report. You can contact credit reporting agencies if there are items on your credit report you wish to dispute. Follow the steps described on the annualcreditreport.com website for more information.

NYC

Michael R. Bloomberg
Mayor

Department of Consumer Affairs
Office of Financial Empowerment

Jonathan Mintz
Commissioner

Center for Economic Opportunity

Veronica White
Executive Director

The New York City Department of Consumer Affairs' Office of Financial Empowerment (OFE) works to educate, empower, and protect those with low incomes so they can build assets and make the most of their financial resources. The Department of Consumer Affairs' OFE is the first program to be implemented under the Center for Economic Opportunity as part of Mayor Bloomberg's aggressive efforts to fight poverty in New York City.

For more information, please visit www.nyc.gov/consumers