



## Money Saving Tips

**Tax Preparation:** Paid tax preparation costs an average of \$300. If using a paid service, make sure that it is reputable. For complicated returns, a paid tax preparation service or accountant may be the best option. However, most consumers can use a low-cost or no-cost option. If you are fairly computer savvy and your taxes are straight forward, you may want to file your taxes online with MyFreeTaxes. If you would rather have someone help you prepare them, visit the IRS website to find your closest free tax preparation site. Free tax volunteers are trained and certified each year by the IRS to ensure accuracy.

**Tax Credits:** Tax credits can lower the amount you pay or increase your refund. The Earned Income Tax Credit (EITC), in particular, is an important credit to lookout for. Many families who qualify for the EITC can also claim the Child Tax Credit. If you or your child are in college, you may qualify for The American Opportunity Tax Credit or the Lifetime Learning Credit.

**Save your refund:** Plan now to use your refund wisely. Use form 8888 to have your refund deposited directly into your bank account. You can designate up to 3 accounts; so, part of your refund can go into your checking account and part can go into your savings account. If you have high interest debts, paying those debts first helps avoid losing money to interest payments. Additional money can be saved for an emergency fund in a savings account or put into retirement. Enter the Save Your Refund contest for a chance to win one of 100 prizes of \$100 each. The grand prize winner will receive a cash prize of \$35,000. <https://saveyourrefund.com/home>

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### Reference:

- 2016 IRS Data Book. <https://www.irs.gov/pub/irs-soi/16databk.pdf>
- My Free Taxes. <https://www.myfreetaxes.com>
- Internal Revenue Service. <https://www.irs.gov>