What Are You Going to Do with the Rebate?

You could take the money and use it to get some financial things in order including:

- Start an emergency fund. A good rule is to have enough money in reserves to pay your expenses for six to nine months. Don’t have that in savings? Don’t panic. Start out with your tax refund money working your way up to one month’s worth. Add to it as often as you can.
- Pay off a credit card. A good place to start is with the card with the highest interest rate. Once that is paid off, start on another one. Paying them off means you are now saving 10, 20 or even 30 percent per year in interest charges.
- Open up a ROTH or traditional IRA. If you have already filed your 2009 taxes and you open one before April 15th you may be able to add to or amend your taxes for an additional credit or rebate. The limit is $5000 per year into an IRA.
- Start an Education 529 college savings account.
- Make an extra mortgage payment. When you make an additional payment it is applied directly to the principal.

Mark your calendar for March 31

The EAP Awareness Fair is set on the calendar and we are planning informative seminars, plenty of vendors, activities and live music. The only thing we need is YOU!

March 31 from 11:00 am until 2:00 pm
WRS TN Tower, 3rd floor lobby area

It Is That Time Again…Tax Time

While none of us like doing our taxes it is a necessary part of life. The average tax rebate is $2800 so we want to provide some tips and changes to the 2010 tax forms so you can maximize your return:

- Look for the Making Work Pay Credit – This is part of the stimulus funds passed by Congress. $400 credit for individuals and $800 per couple. It is line 63 on the form.
- First-Time Homebuyer Tax Credit - If you purchase a house as your primary residence on or before April 30, 2010, you can take the first-time homebuyer’s tax credit of up to $8,000. If you have already purchased a house on or after December 1, 2009 you may also qualify for this credit.
- Unemployment Compensation - Unemployed individuals can exclude from gross income up to $2,400 in benefits from being taxed.
- Earned Income credit – The maximum amount of the credit has increased (which is also based on the number of qualifying children.) The IRS has also increased of income you can earn and still get the credit.

There are additional changes and credits for 2010 taxes such as the residential energy efficient credit. Be sure to research these and others before your file your tax return. For more information, visit www.irs.gov.
Think You Are Over Your Head on Your Mortgage? A Five-Step Plan to Help You Through It

1. **Identify the shortfall.**
   Subtract the total of your monthly expenses from your monthly income to get an exact figure for the shortfall. This will be the amount of money you will try to make up with budgetary changes so you can pay your mortgage as agreed.

2. **Explore budgetary changes.**
   How can you close that deficit? Look to increasing your income with a second job, part-time employment, adding work hours, or having a family member contribute to the income pool. Carefully examine your expenses and pinpoint areas where you can cut down to free up cash. Be realistic with what you can and cannot do. You may be able to sell some assets to meet the shortfall for a few months, but what about after that? Plan for a long-term solution.

3. **Contact your lender.**
   If you are unable to regularly make your mortgage payment by adjusting your cash flow, contact your lender immediately. Be ready to review your financial situation in detail. When speaking with your lender, be honest and clear about your desires and abilities. Never promise something if you cannot follow through.

4. **Be open to solutions.**
   You and your lender will discuss ways you can keep the home, which may include changing the loan’s terms to reduce the payment, making lower or no payments for a period of time, or refinancing the loan. What if none of those solutions work? Consider selling the home or deeding it back to the lender. If it is worth less than the loan balance you may be able to sell it for its current market value. Ask about the benefits and drawbacks of each option before making a decision.

5. **Take action.**
   Whatever you decide, do not wait with what you need to do. For example, if you gave your word that you will be back on track in 3 months by getting a second job, do so. If you know that it will be impossible to afford your mortgage payment, find another living situation now and take steps to sell the home or deed it back to the lender before the foreclosure process begins. Delaying action will waste precious time and money.

**Resources Are Available**
Additional information, self-help tools and other resources are available online at www.MagellanHealth.com/member. Or call 800-308-4934 for more information, help and support. Counselors are available 24 hours a day, seven days a week to provide confidential assistance at no cost to you.

**Tools Available on Magellan’s Web Site**

Ever wondered how long it will take you to pay off your credit cards? Thinking about purchasing a house and you want to know tips and how much you can borrow?

Log into Magellan’s web site for these and many more tools and calculators to get started.

Other tools include topics such as:
- Fitness and Health
- Home buying
- Eldercare
- Travel
- Volunteers
- Pets

Visit the web site at www.magellan.com/member. You will need to create a log in or sign in. Once you have done this go to the Library and Resources tab and click on Tools and Calculators.