

# MANAGING YOUR MONEY



## How To Save For Retirement

(NAPSA)—Americans are starting to think about retirement at ever younger ages. In fact, a recent survey conducted in conjunction with National Payroll Week found that new entrants to the workforce don't expect Social Security to be adequate to pay for their retirement needs. That may be why more than two out of three are in favor of privatizing Social Security—and why more than four in five have begun retirement planning.

Here are some things you can do to make the most from your paycheck so you can save more for retirement:

- Keep your taxes withheld close to what you owe. A lot of people look forward to a tax refund, but it's like giving the government an interest-free loan rather than investing the money yourself.

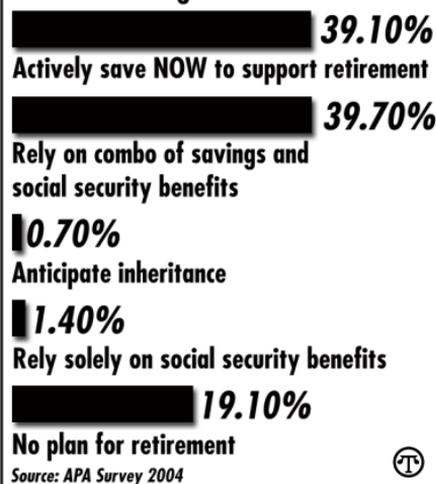
- Direct deposit is safe, easy and secure, and it's a plus if you are sick or on vacation come payday. You can pay your bills even if you are sick or away, because your money is in the bank.

- If an employer offers flexible spending accounts, take advantage of them to cover out-of-pocket medical expenses and dependent care costs with pre-tax dollars.

- Once you commit your pre-tax dollars to a flexible spending account, you must use it, typically by the end of the year, or you lose it, but with the range of services and treatments covered—including over-the-counter medications such as Tylenol—this is not as big of a challenge as people might think.

- Money is like space; you expand your use based on how much you have. When you suddenly have more money in your paycheck, whether through a tax change or a

### Getting Paid In America Survey: Retirement Plan of Respondents Age 18-34



**Begin saving for retirement as early in your career as possible, even if only a modest amount.**

raise or bonus, you may be inclined to just spend those extra dollars. If you can, apply those extra dollars to a savings account, 401(k) or other vehicle via automatic payroll deductions.

- Be smart about your 401(k) and pay yourself first. The money that you set aside now will create a more comfortable and stable lifestyle for you in retirement.

National Payroll Week, an annual public awareness campaign, focuses attention on critical components of sound personal financial management, and educates the public about issues related to their paychecks. The campaign was established in 1996 and is sponsored by the American Payroll Association, a nonprofit organization dedicated to training and educating payroll professionals.

For more tips and tools, go to [www.nationalpayrollweek.com](http://www.nationalpayrollweek.com).