

# MANAGING YOUR MONEY



## Payday Money-Saving Tips



(NAPSA)—The good news, if you ever feel your tax refund isn't as big as you had hoped, is that it's never too early to begin evaluating your tax- and financial-planning strategies for next year. You have two documents at your fingertips that can help you make money and save money—your paycheck and your W-2.

Have you ever looked at your paycheck or taken a close look at your W-2?

A recent survey by Intuit Payroll ([www.payroll.com](http://www.payroll.com)) found that employees are becoming more and more savvy about their paychecks—79 percent understand what every deduction means. At first glance, your paycheck and W-2 may look like an alphabet soup of acronyms and numbers, but there are ways to make looking at them a little easier:

- **Stop and Read Your Paycheck:** Take a close look at your top line or earnings, especially if you are an hourly employee or you submit time written up by hand on a time card. A simple transcription error could cost you money if your boss miscalculates your hours or what your regular time vs. overtime was. If you find a mistake, be sure to address it with your human resources administrator or employer.

- **Check that W-2!** We all know what we make every week, but there's nothing like looking at Box 1 on the W-2 to really see what you are actually earning in a year. You can also look at your W-2 (Box 12) to determine how much you invested in your 401(k) plan last year. Is this amount less than the federal maximum of \$15,500? If so, you could be losing out on the opportunity to grow your retirement nest egg. Plus,

upping your 401(k) contribution might even bring you down to a lower tax bracket. For more insight on how to decipher your W-2, check out [www.payroll.com](http://www.payroll.com).

- **Take a Trip Down Memory Lane:** Think back over the past year or two. Did you get married, have a child or buy a home? Changes in your personal status can affect your tax deductions. Be proactive and get prepared for next year's tax season by updating your payroll deductions on your W-4 form if you've had big life changes.

- **Do the Math:** Have you found that you've unexpectedly gotten a huge tax refund or owe a huge tax bill? If you haven't had a big life change, you can still change your deductions and enable yourself to take more or less of your paycheck home. But remember, if you don't have enough tax withheld during the year, you will owe Uncle Sam taxes at the end of the year, and you may have to pay interest and a penalty, too.

- **Save it BEFORE You Can Spend It:** As you probably know, many Americans save less than 5 percent of their annual income. But here's a trick that will help you save more—use Direct Deposit to have each paycheck automatically deposited into your bank account. Better yet, set up two bank accounts—one for day-to-day expenses and the other for long-term savings. Most employers can accommodate direct deposit into two bank accounts. By depositing the money straight into savings and keeping it out of your day-to-day bank account, you'll be less tempted to spend it.

For additional insight into your paycheck and W-2, check out [www.payroll.com](http://www.payroll.com).