



BEING MONEY SMART: SECURING THE BAG

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WHAT IS YOUR IDEA OF THE PERFECT FINANCIAL LIFE?

Are you already there? If not, what is your plan for achieving your financial goals? Do you even know where to start?



If you don't have all the answers, that's ok... Most of us don't!

AGENDA

- Key Statistics
- Psychology of Spending
- Saving, Spending and Budgeting
- Protecting Your Credit
- American Rescue Plan Act (2021 Stimulus)
- Q&A



DID YOU KNOW?

- A Black Woman has to work until age 86 to make the same amount of money that a man earns by age 60.
- 4 Million households depend on a Black Woman's salary to survive
- Two-thirds of all American student loan debt is carried by women, mostly Black women.
- Black women are paid less for earning an advanced degree

**IF THE CARDS ARE
STACKED AGAINST YOU,
RESHUFFLE THE DECK**

THE PSYCHOLOGY OF SPENDING

- The Role of Advertising
- Keeping Up with the Joneses
- Impulse Buying/Retail Therapy
- Childhood Experience
- Money As Love
- I'll Worry About Tomorrow When It Gets Here



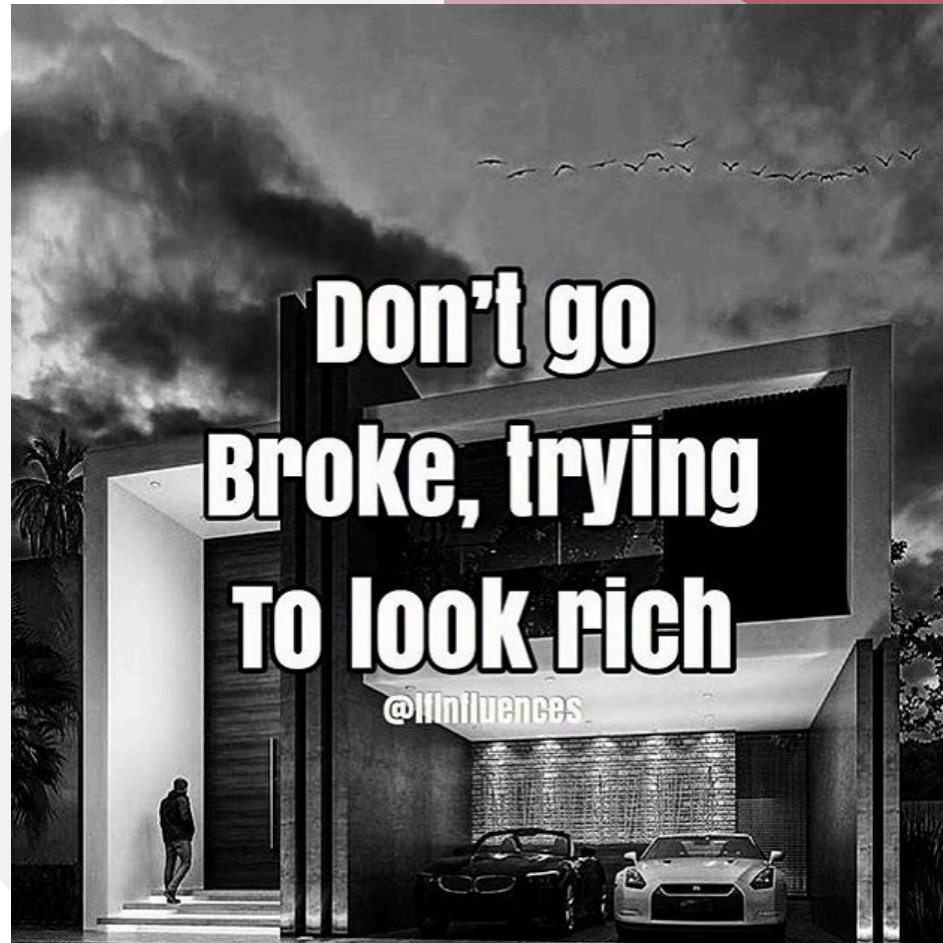
SAVING AND BUDGETING 101

- 50/30/20 Rule
 - 50% Must Haves
 - 30% Wants
 - 20% Savings & Debt
- Automate Savings/Side Hustle
- Popular Apps
 - <https://mint.intuit.com/>
 - Allows you to maintain a budget while on the go.



EVALUATE YOUR SPENDING

- Know where you stand
- Track your expenses for 2-weeks
- Identify trouble areas/extraneous expenses
- What can be easily eliminated?
- Identify alternatives for eliminated items



DISPOSABLE VS DISCRETIONARY INCOME

- Disposable income, is the amount of money that an individual or household has to spend or save after income taxes have been deducted.
- Discretionary income, the amount of an individual's income that is left for spending, investing, or saving after paying taxes and paying for personal necessities, such as food, shelter, and clothing.

*Secure
the bag,
sis.*



DISCRETIONARY INCOME WORKSHEET

SECURING THE BAG BY PROTECTING YOUR CREDIT

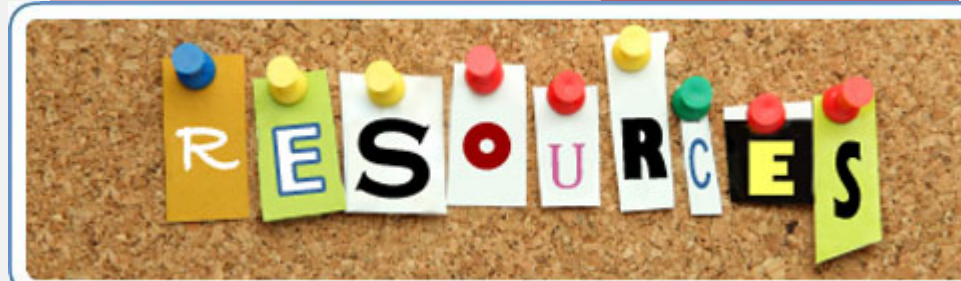
- Check your credit reports at least once a year.
- You are entitled to a free credit report every 12 months from each of the three major consumer reporting companies (Equifax, Experian and TransUnion).
- Review your credit reports for errors, or identity theft
- Understand the impact of a poor credit history on your finances



CREDIT RESOURCES

You can request and review your free report through one of the options below:

- Online:
<https://www.annualcreditreport.com/index.action>
- Phone: Call 1-877-322-8228
- Download and complete the Annual Credit Report Request Form from the site above.
- Mail: Annual Credit Report Request Service
P.O. Box 105281 Atlanta, GA 30348-5281
- <https://clarifi.org/> Consumer Credit Counseling Service (non-profit)



AMERICAN RESCUE PLAN ACT

- Unemployment Provisions
 - Benefits extended from 3/14/2021-9/6/2021
 - Additional benefits of \$300 per week
 - First \$10,200 of benefits (non-taxable); AGI below \$150K; Per taxpayer



AMERICAN RESCUE PLAN ACT

- Recovery Rebate Credit aka “Stimulus Payment”
 - \$1,400 (\$2,800 MFJ)
 - Individuals except: Non-Resident Aliens, Dependents, Estates or Trust
 - Dependents: Qualifying child or Qualifying relative
 - Valid Social Security
 - Deceased in 2020 Not eligible



AMERICAN RESCUE PLAN ACT

Income Phaseout

NATP™

Filing status	Full advance if AGI is equal to or less than...	Partial advance if AGI is between...	No advance if AGI is over...
Single, MFS	\$75,000	\$75,000 - \$80,000	\$80,000
HOH	\$112,500	\$112,500 - \$120,000	\$120,000
MFJ*, SS	\$150,000	\$150,000 - \$160,000	\$160,000

* MFJ taxpayer are treated as each receiving half of the recovery rebate credit



AMERICAN RESCUE PLAN ACT

- Child Tax Credit
 - 2021 only
 - Refundable credit
 - 17 year olds qualify
- Credit increased to \$3000 (6-17) or \$3600 (age 5 or less)
 - Increase is phased out based on income



AMERICAN RESCUE PLAN ACT

- Periodic Payment
 - July 2021 thru December 2021
- Repayment based on AGI reported on 2021 tax return



AMERICAN RESCUE PLAN ACT

AGI Repayment Thresholds

NATP™

Filing status	No repayment if AGI is below...	Partial repayment if AGI is ...	Full repayment if AGI is equal to or over...
Single	\$40,000	\$40,000 - \$79,999	\$80,000
HOH	\$50,000	\$50,000 - \$99,999	\$100,000
MFJ, SS	\$60,000	\$60,000 - \$119,999	\$120,000



AMERICAN RESCUE PLAN ACT

- Earned Income Credit
 - Taxpayers w/o children
 - Max age 65 eliminated
 - Max EIC increase \$543 - \$1,502
 - Taxpayers with children w/o TIN are eligible
 - Investment income phase out \$10K



AMERICAN RESCUE PLAN ACT

- Individual age 19
- Student age 24 for at least 5 months
- Former foster youth or qualified homeless youth, age 18
- Married Filing Separately (Allowed)
- EIC Look Back 2021 – If earned income is 2021 is less than 2019, can use 2019 to receive higher EIC



AMERICAN RESCUE PLAN ACT

- Child & Dependent Care
 - Refundable
 - Increase the \$ limit for one child from \$3,000 to \$8,000 and for two children from \$6000 to \$16,000.
 - Increases the phase out (\$125K-\$400K)
 - Increases the employed provided dependent care assistance from \$5K-\$10K



AMERICAN RESCUE PLAN ACT

- Premium Tax Credit
 - Improve affordability by expanding credit
 - Enrollees will not pay more than 8.5% of their income for coverage
 - APTC temporarily suspended (2020)



In the case of household income (expressed as a percent of poverty line) within the following income tier:	The initial premium percentage is —	The final premium percentage is —
Up to 150.0 %	0.0	0.0
150.0 % up to 200.0 %	0.0	2.0
200.0 % up to 250.0 %	2.0	4.0
250.0 % up to 300.0 %	4.0	6.0
300.0 % up to 400.0 %	6.0	8.5
400.0 % and higher	8.5	8.5

AMERICAN RESCUE PLAN ACT

- Student Loan Relief
 - Temporary suspended payments go through 9/2021.
 - Interest rate for US Dept of Ed backed loans reduced to 0% through 9/2021.
 - Student loan discharges from 2021-2025 through cancellation of debt will not be considered income.



QUESTION AND ANSWER (Q&A)

What's on
your
mind?



THANK YOU !

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