



BRINGING
YOU HOME
for
40
YEARS

New Hampshire Housing

GOAL Program News



Winter 2015-2016

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Saving for Retirement at Any Age: Savings Steps for Your Twenties, Thirties, Forties, & Fifties

The National Women's Law Center offers the following recommendations on how to save:

It's Never too Late to Start

- No matter what your age, taking the following steps can help you in retirement.
- There's no better time of year to get a boost on savings than during tax time. This year, consider taking a portion of your refund to start saving or increase your savings.

In Your Twenties

- Find out if you have a retirement plan at work and sign up!
- Some employers offer matched savings plans based on how much you save.
- Consider opening an **IRA** or **MyRA**. A MyRA is designed for low-income workers who don't have any other savings options: <https://myra.gov/>.
- Find out if you are eligible for the **Saver's Tax Credit**, which reduces your taxable income: <https://www.irs.gov/uac/Save-Twice-with-the-Savers-Credit>.
- Make sure your employer reports your income to social security.
- Sign up with Social Security at <https://www.socialsecurity.gov/> to track your benefits.
- Manage your debt and student loans.

In Your Thirties

- Continue with all of the tips listed above
- Bump up your monthly savings with each raise or bonus.
- Consider talking with a financial adviser at your bank or credit union.

In Your Forties

- Keep saving and try not to take any money out!
- Pay down debt.
- Track your social security retirement benefits from past employers where you may have held a 401K, pension, etc.

In Your Fifties

- Keep saving and continue to pay down debt.
- Find out the maximum dollar amount you're allowed to save based on your age.
- Track all of your retirement accounts and estimated Social Security benefits.
- If you have a life partner talk about when you'd both like to claim your benefits. This AARP article explains how to maximize Social Security retirement benefits: <http://www.aarp.org/>.

How Much Do I Need for Retirement?

The *Department of Labor* suggests replacing roughly 80% of your pre-retirement income. For example, with a salary of \$50,000 a year someone would likely need \$40,000 a year in order to enjoy the same standard of living. If you're in your thirties this means saving \$4,000—\$5,000 a year. To determine what **you need** to save go to <http://askebsa.dol.gov/>. Click on #4 and use the calculator to identify your yearly target savings rate. For additional information and resources go to: <http://www.dol.gov/ebsa/publications/savingsfitness.html>.



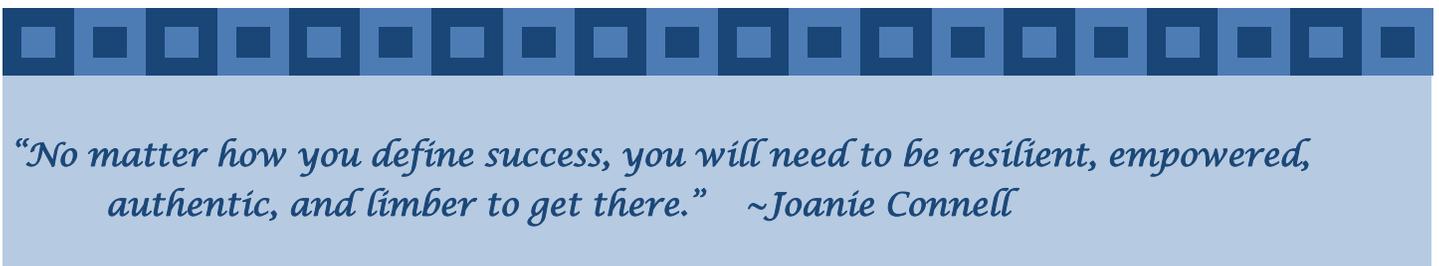
Ask a Coach

Q. What is the saver's credit? I heard you can claim this on your taxes if you have a retirement plan.

A. With the saver's credit you can save for retirement *and* save on your taxes. If you voluntarily contribute \$2,000 toward your retirement into an IRA, 401(k) or other similar workplace plan, this credit will reward you by reducing your tax bill by as much as \$1,000. You have until April 15, 2015, to set up a new retirement account or contribute to an existing one. For further details see <https://www.irs.gov/uac/Save-Twice-with-the-Savers-Credit> or ask your local VITA (Volunteer Income Tax Assistance) representative: <http://irs.treasury.gov/freetaxprep/>.

Q. Are there any other tax credits I should be aware of before I file my taxes?

A. Yes! The **Earned Income Tax Credit (EITC)** and the **Child and Dependent Care Credit** help many families every year. There are also education credits, small business credits, and numerous deductions that can all help reduce the amount of tax you owe and may even give you a refund. For specific details and a listing of available tax credits go to <https://www.irs.gov/Credits-&-Deductions>.



FSS Successes During the Past Three Months

- Congratulations to Melissa, Jeff, Sareena, and Ryan—they landed full-time jobs with benefits.
- Regan has been interning as a dental assistant and will graduate with her certification in November. Way to go!
- Hats off to Eunice for completing the American Red Cross phlebotomy course and passing her final exam with a 94%!
- Carlos landed a part-time job and can now open an IDA to save for his education plans.
- Anita, Gabriela, and Patty bought their very first homes using their IDAs.
- Rose is working with *More Than Wheels* to build her credit so she can purchase a new car.
- Eight participants graduated with a grand total of \$44,247 in escrow funds, earning an average of \$5,530 each!

The GOAL Program can assist you with:

- Career assessment and education
- Employment, job retention and advancement
- Financial management and building better credit
- Homeownership

Your GOAL Coach is here to support you and share resources that will help you achieve success in these areas!

Get the most out of GOAL by using these helpful tools:

- www.nhhed.com for resources and online training.
- www.virtualgoalcoach.net to map, track, and find the resources you need to reach your goals.
- www.findfinancialfreedom.org to manage your income and expenses.