

SAFE Newsletter

StraightTalk® Association for Financial Empowerment

Spring 2019

Do You Know Your Credit Score?

People who check their credit score regularly are more likely to understand how scoring works than those who don't, according to a survey released by the Consumer Federation of America and VantageScore. The survey also revealed that the number of people who have checked their credit score recently has increased. Whether you're intending to use your credit soon or simply looking for ways to improve it for the future, here are three things you should know about your credit score:

1. Missed payments can lower your score.

Did you know that if you miss a payment on your credit card, car loan, or student loans, your credit score can be negatively affected? Payment history is one of the major components of your credit score. When you pay your bills on time each month, your credit score will gradually start to increase. If you miss payments or your bill is sent to a collection agency, your score will decrease.

If you frequently miss payments, your score could drop significantly, and it will take time to raise it again. If you can't afford to pay your balance in full, at least pay the minimum amount on time.

2. Keeping a high credit card balance lowers your score.

Believe it or not, carrying a high credit card balance month to month can harm your credit score. Credit utilization is the percent of your credit limit that you use each month, and your credit utilization ratio is a key

component of your credit score. A good rule of thumb is to keep your credit card balance under 30 percent of your overall credit card limit. For example, if you have two credit cards that each have a limit of \$500, your total available credit is \$1,000. In this instance, you will want to keep your balance below \$300, or 30 percent, of your total limit. A large credit card balance can also feel overwhelming to pay down. When you aim for a low balance and pay your bill in full each month, you get a fresh start each billing cycle.

3. Checking your credit report will not change your score.

Annual check-ups on your credit reports will make sure they are error-free and won't impact your credit score. This can be done for free each year at www.annualcreditreport.com or by calling 800-322-8228.

Additionally, many financial institutions will let you check your credit score online for free. When you regularly monitor your score, you can see how your financial decisions are impacting your credit potential. Some tools may also show you how you measure up in the major credit scoring criteria, including payment history, utilization, and age of credit history.

Want to learn more about credit and your score? Take the short quiz offered by CFA and VantageScore online to test your knowledge at CreditScoreQuiz.org.

Learn more at AmericaSaves.org.

Tax Preparation Help

Do you need help filing your income taxes? The IRS' Volunteer Income Tax Assistance (VITA) program offers free tax help to people who generally make \$54,000 or less, persons with disabilities, and limited English speaking taxpayers who need assistance in preparing their own tax returns. IRS-certified volunteers provide free basic income tax return preparation with electronic filing to qualified individuals.

In addition to VITA, the Tax Counseling for the Elderly (TCE) program offers free tax help for all taxpayers, particularly those who are 60 years of age and older, specializing in questions about pensions and retirement-related issues unique to seniors.

The IRS-certified volunteers who provide tax counseling are often retired individuals associated with non-profit organizations that receive grants from the IRS.

VITA and TCE sites are generally located at community and neighborhood centers, libraries, schools, shopping malls and other convenient locations across the country. To locate the nearest VITA or TCE site near you, call 800-906-9887. Please note that many sites require appointments, so be sure to plan ahead!

Help Support SAFE's Mission by Volunteering

The mission of the StraightTalk® Association for Financial Empowerment is to provide all members of our community with the knowledge, skills, and tools necessary for financial success throughout all phases of life.

We will achieve this by:

- Supporting educational programs that build personal financial skills and provide a solid foundation for future financial prosperity.
- Acting as a trusted resource for our local community. We will provide financial tools and information that build sound financial knowledge, which will, in turn, improve the financial future of our community.
- Encouraging financial self-sufficiency and good financial judgment for those in all phases of life.

As part of its mission to provide financial management tools and education throughout the community, SAFE is currently seeking volunteers in order to expand its reach and impact to other organizations. SAFE members are encouraged to contact the organization with any volunteer interest; however, we are specifically looking for members interested in writing content for upcoming newsletters and volunteering as presenters for various workshops and seminars.

In addition, if you are aware of any community group or organization that may be interested in SAFE's financial education programs or funding, please visit our website at www.financiallysafe.org for more information. Prospective volunteers may call SAFE at 866-854-5577 or email volunteer@financiallysafe.org.

Notification of Annual Meeting

The Annual Meeting of the Board of Directors and the members of SAFE will be held on Friday, March 29, 2019. The meeting will be held at 3 p.m. at Corning Credit Union, corner of Ferris and Pulteney Streets, Corning, NY.