

## REMEMBER TO PAY TAXES!

Everyone who works and earns income must fill out certain tax forms called income tax returns and annually file federal income tax returns with the Internal Revenue Services (IRS) ([www.irs.gov](http://www.irs.gov)) and state income tax returns with New York State ([www.tax.ny.gov](http://www.tax.ny.gov)). Both federal and state income tax returns are usually due by April 15 each year, and are based on what you have earned in the previous year from January 1 to December 31.

See more about this topic at  
[www.YouthInProgress.org](http://www.YouthInProgress.org)

## For More Information

New York State income tax:  
1-800-225-5829 or [www.tax.ny.gov](http://www.tax.ny.gov)

Federal income tax:  
1-800-829-1040 or [www.irs.gov](http://www.irs.gov)

New York State Office of Temporary and Disability Assistance—  
Programs and Services:  
[www.otda.ny.gov/programs](http://www.otda.ny.gov/programs)

Local Departments of Social Services:  
<http://ocfs.ny.gov/main/localdss.asp>

Federal Trade Commission:  
1-877-438-4338 or [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft)

NOTE: This pamphlet is part of the Need to Know Series and intended for informational purposes only. This pamphlet should be used as a general guide to help youth make smart choices when it comes to spending and saving money. We recommend that youth consult with a financial advisor before acting on the information contained in this pamphlet.

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Need to Know series:  
**MANAGING YOUR MONEY!**  
MAKE IT SAVE IT PROTECT IT

## MAKE IT

### TIP: Spend only the money you have

Keep track of your spending and income with your checking/savings account registry, it helps you to know exactly how much money you have. This will help you avoid overdrawing your account or “bouncing” a check. To “bounce” a check means that you wrote a check for more than what you actually had in your account. You may get charged a fee for this.

Never spend your money before you have it.

— Thomas Jefferson

### TIP: Make sure to build good credit and check your credit report regularly

You should try to establish good credit because companies, banks, and employers can find out how well you manage your money by checking your credit report. The higher your credit report rating, the better. If you want to buy a car, the banks will be more likely to give you a loan with a lower interest rate if your credit is good. When you leave care it is a good idea to order and review your credit report each year.

## PROTECT IT

### TIP: Ask for help and support

Don't wait until you have left care to find out if you have been a victim of identity theft. **Ask your caseworker for the credit report(s) you're entitled to. Youth in care age 16 and older must receive a copy of any credit reports on file with the three (TransUnion, Equifax, and Experian) credit reporting agencies each year until discharge. Also ask them to help you understand the results and resolve any issues with your report.** If you are 18 or older you may request your own free credit reports and your caseworker can still help you interpret the results.

### TIP: Protect your identity and your personal information

Anyone can be a victim of identity theft. Identity theft is when someone uses your identifying information (name, birth date, social security number, credit card numbers, etc.) to obtain goods, services, credit, or open bank accounts. Being in foster care can make you vulnerable to identity theft because people may have had access to your information when they helped you get medical care, government benefits, a job, utilities, a loan, or a mortgage.

Protecting yourself from identity theft can be difficult, but cleaning up your credit after identity theft occurs can be even more difficult. Identity theft can impact your credit score. A low credit score can prevent you from being able to rent an apartment or even applying for financial aid to attend college.

3. Protect your mail by removing it from your mailbox as soon as possible. Place your mail delivery on hold at the post office when you're away for longer than a few days. Shred all paperwork containing personal identifiers (i.e., receipts, insurance forms, bank and credit card statements, and cash advance checks) before discarding.

### TIP: If you suspect your identity has been stolen or your personal information is being used by someone else to obtain credit, you should:

#### 1. File a complaint with the Federal Trade Commission

Use the online form or call the toll free hot line at 1-877-ID-Theft (438-4338 or 1-866-653-4261) (<http://www.ftc.gov/bcp/edu/microsites/idtheft/consumers/filing-a-report>)

#### 2. Contact the Credit Bureaus

Call the fraud units of the three major credit reporting companies; **Experian** at 1-888-397-3742, **Equifax** at 1-800-525-6285, and **TransUnion** at 1-800-680-7289.

You can request that a “fraud alert” be placed on your account. Remember to ask how long the fraud alert will be posted on your account, and if you can extend it.

#### 3. Contact Creditors

Immediately contact, by phone and in writing, all creditors (banks or other companies you owe money to) where accounts were created or used fraudulently (illegally). Request that a hold be placed on your current credit cards and request new credit cards with new account numbers. Be sure to check credit card bills for evidence of strange activity.

#### 4. File a Police Report

You should report identity theft to your local police department. Get a copy of your police report and keep the report handy to give to creditors and others who may require proof.

5. Contact your Financial Institutions Report stolen checks, stolen or compromised ATM cards or fraudulent bank accounts to your bank or other appropriate financial institutions. Place a “stop payment” on outstanding checks. Close your checking and/or savings accounts, immediately, and obtain new account numbers.

#### 6. Contact the Local Postal Office

Notify the local postal office if you suspect a change of address was filed with the local post office or mail was used to commit fraud.

#### 7. Contact the Social Security Administration (SSA)

Call the Fraud Hotline at 1-800-269-0271 to report the fraudulent use of your Social Security Number (SSN#). Order your Earnings and Benefits Statement and review it for accuracy.

#### 8. Contact the Passport Office

If you have a passport, notify the Passport Office in writing. If it is a U.S. passport, it should be reported to the U.S. Department of State. Visit [www.travel.state.gov/passport/lost/lost\\_848.html#report](http://www.travel.state.gov/passport/lost/lost_848.html#report) for details. A foreign passport that is lost or stolen should immediately be reported to the embassy or consulate of the country from which it was issued.

#### 9. Contact Your Phone Company

Contact your phone company to report stolen calling cards, fraudulent charges and fraudulent accounts.

### TIP: Keep detailed documentation

Keep a log of all conversations, including dates, times, names, and phone numbers. Send correspondence by certified mail (return receipt requested). Keep copies of all letters and documents. For more information on what identity theft is and how to prevent it, visit: The Federal Trade Commission at [www.ftc.gov](http://www.ftc.gov). For practical tips to help guard against phishing and Internet fraud visit: [www.OnGuardOnline.gov](http://www.OnGuardOnline.gov).

## SAVE IT

### TIP: Make a monthly budget and stick to it

Calculate how much money you earn each month, and then subtract the bills you have to pay (rent, utilities, transportation, and food). Make a plan to cover all these expenses and you may have money for some of the things you want or want to do.

### TIP: Put some money aside and save it for when you really need it

You work hard for your money and you control where it goes. It is important to put money aside regularly in case of an emergency or to save for something really big, like buying a car.

### TIP: Pay your bills on time and avoid fees and other consequences

With good budgeting and money management skills you can stay on track. For example: it is really important to pay your rent when it is due to avoid a possible eviction. Some ways you can pay bills:

- Check or debit card (pay with money in your account);
- Electronically online (using money from your account);
- Money order;
- Cash (make sure to get a receipt).

### TIP: Take advantage of things on

# SALE

Use coupons, layaway plans, shop for clearance items, and shop at “consignment” or “thrift” stores if you can. By doing this you will have more money for other things.

A penny saved is a penny earned.

— Benjamin Franklin

Earning money takes time, effort, and planning, and so does saving it.

**TIP:** Only buy things or use a credit card to charge an amount that you know you can pay in full. You may find that you get carried away with purchasing too many "wants" versus "needs." A credit card may seem like free money, but if the balance is not paid off monthly it can quickly add up, you can end up accumulating a large debt long before you have the (money) earning power to pay it off.

**MAKE IT**  
Only spend what  
you have — avoid  
credit card  
debt.

## SAVE IT

### Learn about bank services

**TIP:** Visit various banks in person and/or online to help you get the information you need. Ask about how their checking and savings accounts work. Banks may have different services, fees, and hours so check out more than one in your community to decide the best bank for you.

Experian

1-888-397-3742  
[www.experian.com](http://www.experian.com)

TransUnion

1-800-680-7289  
[www.transunion.com](http://www.transunion.com)

Equifax

1-800-525-6285  
[www.equifax.com](http://www.equifax.com)

Get to know the  
Credit Bureaus 

## PROTECT IT