



Your Bottom Line

405.234.4457
800.970.OKMM

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Creating a Living Will

Part 2 of a two-part series about wills and estate planning

If you were medically incapable of speaking for yourself, who would speak on your behalf? A living will is a legal document outlining your medical care preferences, such as respiration, tube feeding or resuscitation. It serves as a guide for medical professionals and your family to make difficult decisions about your care in the event that you cannot make them yourself.

These documents aren't just for older adults. Even the healthiest individuals can suffer from accidents or conditions that require someone else to make medical decisions for them. If family members disagree about your care, the situation could cause family issues or even legal issues. Anyone 18 years old or older can legally create a living will. Here are a few things to consider.

The first step in creating a living will is to choose a person you trust to make decisions if you become incapacitated. Also known as a health care proxy, this role is different than the Power of Attorney in charge of your estate in the event of your death. This should be someone you believe can make logical decisions, even in the face of severe emotional distress.

Next, you'll want to consider the treatments you could face with a serious illness and how you'd like to deal with them. It may be challenging to imagine your preferences. Consider your values, religious or spiritual beliefs and the people you care about to help you make these decisions. Ask yourself under what conditions, if any, would you consider life not worth living.

Although it's difficult to predict medical situations that may arise, consider the effect these treatments could have on your quality of life:

Resuscitation. If your hearts ceases to beat, do you want medical staff to take measures to restart your heart? Are there circumstances under which you'd prefer not to be resuscitated?

Ventilation and nutritional assistance. In the event you cannot breathe or feed yourself, do you want to be put on a machine to help you breathe, or a tube to help you eat? If so, for how long?

Dialysis. This is a process that removes waste from your blood if your kidneys no longer function. How long would you want to receive this treatment?

cont. on page 2

2

ID Theft
Reader Response

3

Q&A Jobs

4

Newlywed Taxes

5

On Our Mind
Wedding Savings

6

Valentine's Day
At Your Service
'Use' Tax

7

Go Green, Save Green
Healthcare Blue Book
VITA Sites

8

Partners and Events
Calendar

When You Know Your ID Thief

Victims of identity theft can spend over 300 hours restoring their credit. If that sounds like a hassle, imagine a case where the victim knows the identity thief. When you know the imposter, the emotional impact of the crime is magnified and resolving your finances becomes even more challenging. In this situation, you have a few choices.

Proceed as if this were a normal case of identity theft. Contact the police and file a police report. This isn't the same as pressing charges, but it's necessary to prove you've been a victim. Share the report with your financial institutions to have the negative records removed from your credit report.

Work with your creditors to see if a resolution can be made without law enforcement. If the imposter admits guilt, some creditors may allow the identity thief to sign an agreement accepting responsibility for payment. Many creditors will still continue to keep your information on the account in case the imposter doesn't pay. Keep photocopies of all papers and document all correspondence.

Pay the debt and live with the consequences. If you decide not to report the theft at all, then you'll remain responsible for all debts and your credit will continue to reflect them. Even if you pay the debts off completely, any negative information will remain on your credit report for 7-10 years.

Whatever choice you make, don't ignore the emotional consequences, as well as the financial. Seek support from friends, family members and counseling professionals as needed to help you cope.

Reader Response

What new money habit will you start in 2011?



Chuck Reddout
Oklahoma City

My new habits are to limit eating out, give myself a budget and cook more at home. These will not only cut down my spending, they'll also lead to healthier eating habits.

I've resolved to put money in my savings account as soon as I get paid instead of trying to save what little is left at the end of the month.



Gentry McKeown
Oklahoma City

Want to be featured in the next newsletter?
Send us your favorite money-saving tip at lmyers@ogslp.org.

Creating a Living Will, cont. from page 1

Finally, a living will is an important place to specify your preferences for organ and tissue donation. This is a commonly contentious issue in hospitals so be clear about your wishes.

Each state has its own laws regarding living wills. Once you've made decisions regarding your care, visit the National Hospice and Palliative Care Organization website, CaringInfo.org/PlanningAhead.htm, for free state-specific forms. Some people choose to contact an attorney to help develop these documents, although it's not required. Give copies of these forms to your doctor, your health care proxy and your family members.

Once this is done, you can rest easy knowing that you'll be taken care of in any circumstance. Remember to review and update your living will if your preferences change. Taking this step assures your family can deal with the difficulties of serious illness in a peaceful and efficient manner.



Q&A: Job Searching

The University of Central Oklahoma’s Career Services department took the time to answer some of our questions about applying for and landing a job. If you’re one of many Americans looking to switch careers or trying to bounce back from unemployment in 2011, check out these tips and techniques and put them to work for you!

What’s your number one tip for jobseekers in today’s competitive market?

Apply, apply, apply. Don’t expect to hear back after sending out only one resume. Secondly, network, network, network! You’re more likely to get a job if people know you and care about what you have to offer.

Also, diversify your job search, especially your networking. It’s not enough to simply hand out resumes anymore. Search reputable online sources, visit company websites and do your research, attend job fairs, get on LinkedIn, attend a network group meeting or join a professional organization. Visit someone, like a career counselor, who can help you research these different avenues and let you know where you might have the most success.

Are there any common missteps people make when putting together their cover letter and resume?

A common mistake is to make it too general or too specific. Your resume needs to be tailored to the company for which you’re applying, but it

also needs to be easy to read and to the point. Another pitfall is the use of pronouns. Pronouns make it difficult to use the right words when describing your skills. Skills need to be formatted using a strong descriptive adjective or an action verb. In general, jobseekers have a hard time describing their skills.

Cover letters are a different animal; the ideal cover letter needs to be specific to both the company and your skills. Using specific examples of your skills in a cover letter makes it easier to write.

Any special tips for the unemployed? What would you recommend to help them stay competitive, especially if they’ve been out of work for a while?

Volunteer, network and apply. Keeping yourself out there, busy and meeting new people is the KEY to landing your next job.

Treat unemployment like a full-time job. Schedule your day: consider mornings a time for company research online and through media sources, and work on your resume, cover letters and networking during the afternoons. Just because you don’t have a job doesn’t mean your day can’t be structured. Most people risk falling into a rut and find it hard to get motivated during their search, but if you manage your time as if job searching is your job, then you’re sure to shave time off your search.

Action Word Examples

Accomplished	Instituted
Achieved	Integrated
Administered	Launched
Advocated	Learned
Aided	Maintained
Analyzed	Managed
Assessed	Maximized
Authored	Minimized
Briefed	Negotiated
Budgeted	Obtained
Built	Organized
Calculated	Originated
Coached	Overcame
Co-authored	Oversaw
Collaborated	Participated
Communicated	Persuaded
Complied	Planned
Composed	Presented
Conducted	Prioritized
Consulted	Produced
Contributed	Reduced
Coordinated	Referred
Cultivated	Researched
Delegated	Responded
Delivered	Restored
Designed	Scheduled
Developed	Shaped
Devised	Solved
Discovered	Streamlined
Drafted	Strengthened
Drove	Supported
Edited	Surveyed
Established	Sustained
Evaluated	Symbolized
Examined	Tabulated
Facilitated	Talked
Formulated	Taught
Fostered	Theorized
Gathered	Trained
Generated	Translated
Handled	Upgraded
Headed	Utilized
Helped	Validated
Identified	Verified
Illustrated	Visualized
Implemented	Won
Improved	Wrote
Increased	
Initiated	

Keep Wedding Bell Bliss and Plan Now for Newlywed Taxes

If you're planning to tie the knot this year, take time between arranging the seating chart and picking out your reception music to plan for changes to your taxes, post nuptials. Preparing before tax season will help you transition to filing as husband and wife smoothly. The Oklahoma Society of Certified Public Accountants offers a few tax preparation tips for newlyweds.

1. Update records. A woman taking her husband's surname upon marriage should notify the Social Security Administration and her employer of the change. This helps ensure earnings are properly reported and credited. Also, if tax returns are being filed electronically, the names on the tax return must match the name on file with the Social Security Administration. Visit SSA.gov for more information.

When a marriage involves a move, individuals should complete IRS Form 8822, Change of Address. This form can be found online at IRS.gov. Notify the U.S. Postal Service of an address change as well. Newlyweds should also submit an updated W-4 form with their employers to ensure all paychecks reflect proper withholdings from their new marital status.

2. Determine your filing status. Whether a couple is married on January 1, December 31, or anytime in between, to the IRS they've been married all year and must file as married taxpayers. They should consider whether filing jointly or separately is better for their personal financial situations.

Choosing the best filing status is a major tax decision for newlyweds. When filing jointly, combine income, deductions and credits, all on one income tax form. Generally, filing a joint return will result in the lowest tax bill. Remember, when filing a joint return, each spouse is personally liable for everything on the return.



Filing separately may be a better choice if one spouse has high medical expenses or miscellaneous itemized deductions. In both cases, only expenses in excess of a specific threshold (7.5 percent of adjusted gross income for medical expenses and 2 percent for miscellaneous deductions) may be deducted. Therefore, combined income on a joint return could make it more difficult to qualify. However, if filing separate returns, if either spouse itemizes deductions, they both must itemize.

On the other hand, some tax credits and deductions are reduced or eliminated for married couples filing separately. For example, separate filers can't take advantage of education tax credits or deduct student loan interest. Figuring taxes both ways will help determine which filing status results in the lowest tax bill.

3. Know your tax bracket. If taxpayers are married and plan to file jointly, it's possible they'll be in a higher tax bracket based on combined incomes. For a married couple filing jointly in 2010, the rate on taxable income between \$68,000 and \$137,300 is 25 percent, and 28 percent for taxable income between \$137,300 and \$209,250. Whereas with two single taxpayers, each could have taxable income up to \$82,400 and remain in the 25 percent tax bracket.

4. IRA deductions may no longer apply. A newly married taxpayer who was able to deduct IRA contributions as a single filer may find he or she no longer qualifies. A new spouse, who is covered by a retirement plan at work, may be entitled to only a partial deduction or no deduction at all. The ability to claim a deduction is determined by filing status, combined adjusted gross income and whether or not the spouse is covered by a qualified employer plan.

As new challenges arise, married couples should remember a CPA can help prepare them for a lifetime of effective financial and tax planning strategies. Visit KnowWhatCounts.org for a free CPA referral and free consultation or to get additional money management tips.



Say "I Do" To Savings

'Tis the season to get engaged. Did you know that 26 percent of marriage proposals occur between November and December? And, even more astounding, the average cost of an American wedding is just over \$27,000! That's a lot of bling! Before you rush into wedding planning, consider these tips before heading down the aisle.

Mum's the word. Before spreading the news, determine what's important to you and your fiancé. As soon as you tell others, you'll be flooded with well-meaning ideas and advice that may not be in line with your plans or pocketbook. Attempting to accommodate everyone leads to stress and is often more expensive.

Budget. Discuss and develop a very firm budget. Know how much your families will be contributing and what will be your responsibility to cover. For great budgeting and payment tracking tools, visit TheKnot.com.

Buck the norm. To save extra money, consider getting married during the off-season months of January, February, March and November. Take your savings a step further and think about getting married on any day of week other than Saturday.

On Our MIND

What's on the mind of OKMM staff? This month Outreach Coordinator Liz Brandon talks about purchasing a smart phone.



My husband and I put off becoming a part of the smart phone craze. We couldn't afford the up-front or extra monthly costs. But, when it came time to renew our cell phone contract last month, we noticed that for the first time, smart phones were within our price range and data plans had been reduced, too. After studying our budget and researching products, we decided to purchase two refurbished, third-generation smart phones.

Even with all the thought we put into this purchase, I was still blindsided by hidden costs. If you're considering making the smart phone switch, be sure you've budgeted for these extras.

Padding your Plan. Cell phone companies require you to purchase certain data plans with a smart phone that can range from \$15-30 extra per month, *per phone*. Also think about how the new format will change the way you communicate. I've found that having a better interface has caused me to text more frequently, requiring another addition to our plan.

There's an App for That. A smart phone doesn't come out of the box able to accomplish anything you can imagine. For that, you have to download third-party applications and that can get expensive. Luckily, we've found free versions of almost every popular application and that's allowed us to get accustomed to our phones before deciding what apps are worth our money.

The Case for a Case. Smart phones are not as durable as regular cell phones and many companies don't offer insurance for them. I knew we'd need to purchase sturdy rubber cases, so I planned to spend around \$20 for both. I was shocked to discover that the cheapest cases start around \$20 a piece and can go as high as \$50. If you have a touch screen, you'll also need to shell out another \$15-20 for screen covers.

Time is Money. Having a computer in your pocket is amazing, but it also changes the way you interact with the world around you. On one hand, you may increase productivity and save time. But all those games and time-wasters are at your fingertips, too. We've also been careful to ensure that smart phones don't rob us of our quality time with each other. For example, we don't allow the phones at the dinner table or when we're watching TV together.

We learned the hard way that smart phone costs go way beyond the initial sticker price. But if you have a plan and research before you buy, you can avoid breaking the bank.

Valentine's Day, Your Way

Stumped about what to do for your special someone? Maybe you're worried about keeping your plans a secret or you don't have a lot to spend. Well, with Valentine's Day right around the corner, we asked some of our readers to share their ideas and experiences.

How do you purchase gifts for your wife without spending a fortune while keeping it all a secret?

One year, I bought a poster board and some supplies, and over the next month my daughter and I decorated it. I kept it hidden in the closet until the big day. About two months prior, I bought two Civic Center Music Hall tickets and hid those as well. As a result of not waiting until the last minute, all that was left to do was wake up early to put roses in her car, sneak the Civic Center tickets into her purse, prepare a home-cooked favorite and present her our homemade card. – **Kerri Mucker**



How do you get the most out of your Valentine's Day gift?



For Valentine's Day, I make a coupon book that my wife can use throughout the year. The coupons can be for things like a massage, dinner (homemade, of course!), laundry, breakfast in bed, etc. You can have fun with it and it's the gift that keeps on giving throughout the year! – **Lee Diamond**

How does your husband save money on Valentine's Day?

Instead of spending a ridiculous amount of money on flowers, my husband goes to the grocery store (Homeland or Wal-Mart) to buy them for a lot less. – **Jaime Shelton**



Do You Owe?

Did you know that you may owe a Consumer Use Tax on items you purchased from out of state and weren't charged state sales tax on?

Out of state vendors aren't required by law to collect Oklahoma tax if they have no physical presence in Oklahoma, but tax on the sale is still due.

The amount of Consumer Use Tax due depends on where the item is being delivered and used in Oklahoma. All items are subject to the 4.5% State Use Tax rate. Then additional tax may be due for the County and/or the City where the item is being used.

You can find more information about Consumer Use Tax and make a payment online by visiting Tax.OK.gov.

At Your Service

NT4CM Counselor Workshops

OKMM is taking part in the National Training for Counselors and Mentors (NT4CM) program, locally coordinated by the Oklahoma Guaranteed Student Loan Program, in partnership with the Oklahoma State Regents for Higher Education.

Workshops are being hosted across the state educating counselors about the Free Application for Federal Student Aid (FAFSA) resources, scholarship programs, like Oklahoma's Promise, and college access publications and websites, like OKcollegestart.org.

In addition, OKMM discusses the free train-the-trainer events, customizable presentations and instructional materials we provide for high school audiences.

If you're a high school counselor, join us for an upcoming event: Jan. 28 in Enid, Feb. 2 in Weatherford or Feb. 17 in Durant. For more information or to register, visit UCanGo2.org.

To learn more about the resources OKMM can provide to your students and parents, contact us at 800.970.OKMM (toll-free) or visit OklahomaMoneyMatters.org today!





Having a child under the age of two costs a middle-income couple about \$800 a month, which is about 19% of their pre-tax income.

Source: United States Department of Agriculture

Go Green, Save Green

Love to shop? In need of something new? Instead of driving straight to the mall or local chain store, stop by a thrift store or garage sale. You'd be surprised what you can find. By avoiding the purchase of new items, you're helping keep other trash from landing in our landfills. You can often find what you need, in good condition, and at a great price.

Healthcare Blue Book

The Healthcare Blue Book is a free, online consumer guide to help you determine fair prices in your area for health care services. If you pay for your own health care, have a high deductible or need a service your insurance doesn't fully cover, visit the Blue Book online to make sure you're getting a fair price for surgery, hospital stays, doctor visits, medical tests and more.

HealthcareBlueBook.com also has additional resources for patients, including sample pricing agreements and links to help you better understand your treatment and payment options.



Free Tax Prep Sites

The Voluntary Income Tax Assistance (VITA) Program offers free tax help for low- to moderate-income people who cannot prepare their own tax returns. VITA sites are generally located at community and neighborhood centers, libraries, schools, shopping malls and other convenient locations. Some locations also offer free electronic filing.

If you plan to use the services a VITA site provides, you'll need to bring the following items:

- . Photo identification
- . Social Security cards for you, your spouse and dependents, if applicable
- . Your, your spouse's and dependents' birth date
- . Current year's tax package, if you received one
- . Wage and earning statement(s) Form W-2, W-2G, 1099-R, from all employers
- . Interest and dividend statements from banks (Forms 1099)
- . A copy of last year's federal and state returns, if available
- . Bank routing numbers and account numbers for direct deposit
- . Other relevant information about income and expenses
 - . total amount paid for day care
 - . day care providers identifying number

Remember, to file taxes electronically on a married filing jointly tax return, both spouses must be present to sign the required forms.



Partner News and Events



Plan to attend the next Oklahoma Jump\$Start Coalition meeting for state personal finance updates and networking. Lunch is \$12 per person.

Wednesday, Jan. 26

11:30 a.m. until 1:00 p.m.

Francis Tuttle Technology Center

Rockwell Campus, Oklahoma City

RSVP by e-mailing pamela.gutel@kc.frb.org

We're on Twitter!

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Have News to Share?

Let us feature it! Do you have a contest, educational workshop or other personal finance event you'd like us to highlight in a future edition of the newsletter? Send a note to lmyers@ogslp.org today; space is limited.



Oklahoma Money Matters (OKMM) is a personal finance education program that helps K-12 schools, higher education campuses, businesses and community partners develop or expand educational services that empower Oklahomans to make positive financial choices.

OKMM is an initiative of the Oklahoma Guaranteed Student Loan Program and Oklahoma State Regents for Higher Education.

Visit us online at OklahomaMoneyMatters.org.

To ask questions or share comments regarding this newsletter, e-mail OklahomaMoneyMatters@ogslp.org.



January						
S	M	T	W	TH	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23/30	24/31	25	26	27	28	29

February						
S	M	T	W	TH	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28					