

PLANNING FOR RETIREMENT

IF YOU EVER FEAR YOUR FINANCES ARE TOO STRETCHED TO SAVE FOR RETIREMENT, THERE COULD BE GOOD NEWS FOR YOU. THE SAVER'S CREDIT, A LITTLE-KNOWN TAX CREDIT FOR LOW- TO MODERATE-INCOME WORKERS, MAY REDUCE YOUR FEDERAL INCOME TAXES WHEN YOU SAVE FOR RETIREMENT THROUGH A QUALIFIED RETIREMENT PLAN, AN INDIVIDUAL RETIREMENT ACCOUNT OR NEW MY-R-A. CATHERINE COLLINSON, PRESIDENT OF NONPROFIT TRANSAMERICA CENTER FOR RETIREMENT STUDIES, SAYS (BEGIN *SOUND BITE*): **“OUR RESEARCH ESTIMATES THAT JUST ONE IN FOUR WORKERS WHO ARE POTENTIALLY ELIGIBLE TO BENEFIT FROM THE SAVER'S CREDIT ARE AWARE OF IT.”** (END *SOUND BITE*) DEPENDING ON YOUR INCOME LEVEL, YOU MAY QUALIFY FOR A CREDIT OF UP TO A THOUSAND DOLLARS ON YOUR FEDERAL INCOME TAXES. IF YOU USE A PROFESSIONAL TAX PREPARER FOR YOUR FEDERAL INCOME TAXES, YOU CAN ASK ABOUT THE “RETIREMENT SAVINGS CONTRIBUTIONS CREDIT.” OR, IF YOU USE TAX PREPARATION SOFTWARE, LOOK FOR THE “RETIREMENT SAVINGS CONTRIBUTIONS CREDIT” ON FORMS TEN-FORTY, TEN-FORTY-A OR TEN-FORTY-N-R. THE CREDIT IS NOT AVAILABLE WITH FORM TEN-FORTY-E-Z. FOR MORE INFORMATION, VISIT TRANSAMERICA-CENTER--DOT--ORG OR I-R-S--DOT--GOV.