



MARATHON COUNTY EMPLOYEES CREDIT UNION

www.mcecu.org

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Don't lose a big chunk of your tax refund just trying to get it

Costly "refund loans" swipe cash unnecessarily from those who need their refunds most. You get these loans from tax preparation services such as H&R Block.

If you need your tax refund fast, don't turn to a "refund anticipation loan." Come in and see Julie.

That's because these loans – advertised by many paid tax preparers in conjunction with tax season – will cost you a huge chunk of the refund that's so important to your pocketbook. The fact is, through MCECU you can get your refund just as fast, without the high cost.

When doing your return just indicate your account number and our Routing Number, which is 275 98 2322, and – *voilà!* – your refund will appear in that account automatically in one to two weeks. 3901

To get the money today, bring in your completed tax papers to Julie and apply for a short term loan.

We're not-for-profit, so you can rest assured...we're going to look out for you!

Why avoid "refund anticipation loans"?

Refund anticipation loans are rip-offs. With a RAL, you're not obtaining *your* money from the IRS instantly. Rather, you're *taking out a loan* secured by the refund you're owed by the IRS. That is, you're paying high fees to receive cash up front until the IRS repays the institution from which you obtained the loan. Typically, the interest and fees you're charged is a significant portion of the total refund due. Sadly, according to the most recent IRS data, about 1 in 10 taxpayers (more than 12 million Americans) took out RALS in 2003 that drained their wallets of more than \$1 billion in loan fees, plus \$389 million in other fees. Many filers using RALS were those who could least afford it. 2984

Ouch!

The effective annual interest rate (APR) for a "refund anticipation loan," based on a 10 day loan period, can range from 40% to more than 700%. Some refund loans charge additional administrative fees for faster service, resulting in RAL costs ranging between 70% and 1,700% APR. That's just too much to pay for a loan you can get just as fast **HERE** for much less interest!!

Odds and Ends

Our business lending partner is **CoVantage Credit Union**. If you need a **business loan** or have any related questions, call Dan Hanson at 800 398-2667.

February is Children's Miracle Network's "Chain of Hearts" promotion month. To raise money for the kids at St. Joseph's Hospital in Marshfield we will be selling teddy bears and links. Teddy bears are \$5 or \$10, links are just \$1 and all of the funds go straight to St. Joseph's for the kids. (The bears go to the kids in St Joe's)

TURBO TAX is available on our web site to prepare your taxes. Visit it at www.mcecu.org.

Our **41st Annual Meeting** will be held on Tuesday, April 25th at the VFW Club. Please mark this date on your calendar and come help us celebrate 41 years of serving our members. 3445

There are seven **hidden account numbers** in this newsletter. If your number is one of them, call 261-7680 to claim your \$10.00 prize. Good luck!



Hours

These are the hours we are open to serve you:

	Lobby	Drive Through
Monday, Tuesday & Thurs.	9:00 - 4:30	8:00 - 5:00
Wednesday	9:00 - 4:30	9:00 - 5:00
Friday	8:30 - 5:00	7:30 - 5:30

If our hours do not fit your schedule, call 261-7680 and we may be able to arrange a time that fits your schedule.

Accessing your account here at MCECU can happen in many ways, here are just a few:

- In person: Lobby, Drive through or Night Drop
- Mail: Inner Office or US Postal Service
- MARS: Our 24 hour teller at 1 877 678-1016
- Phone: 715 261-7680
- Debit Card: Use at merchants or ATMs
- Checks: Write checks anywhere
- Online: www.mcecu.org "CU ONLINE"

We Want Your Feedback

Feel free to let us know if you have any suggestions for

how we can serve you better. Please call Anne at 261-7689 or email at cupresident@mail.co.marathon.wi.us.



Do you know which type of IRA is right for you? Here's some help . . .

IRA contribution limits are at an all time high! And now is the time to begin using this tax-favored way to save for your retirement. There are two main types of IRAs – traditional IRAs and Roth IRAs. 4587

Most people saving for retirement can contribute to a traditional IRA. And, if you meet certain requirements, your contributions are tax deductible. Whether your contributions are deductible or not, your earnings accumulate tax deferred, so you won't owe income taxes until you make withdrawals. Deductible contributions and earnings are taxed at your regular income tax rate as you withdraw them.

With a Roth IRA, contributions aren't tax deductible when you make them. But in favorable contrast to a traditional IRA, earnings are free from income tax upon withdrawal if you meet the specified conditions. A Roth IRA also has more flexible early withdrawal rules than a traditional IRA, and you aren't required to begin withdrawals at age 70 ½. 5227

Determining which type of IRA account is right for you largely depends on several factors including:

- Your age at the time you are contributing
- Your tax rates when contributing and during retirement
- Your plans for needing this money prior to age 59 ½
- Your plans for leaving this money to heirs
- Your likelihood of actually setting aside the money you save in taxes and investing it in another account for retirement.

To learn more, go to the My Financial Center at www.mcecu.org, or contact your MEMBERS Financial Services Representative at 1 877 MEMBERS for a retirement savings analysis. Be sure to ask about the fee copy of the booklet, *Your Guide to Roth & Traditional IRAs*.

Members make the difference!

What's Up with..... Kathy

Hi, I am the newest employee of the credit union. I would like to say the youngest as well but I can't. I started here at the end of November. They hide me in an office in the back. From day 1 I have felt very comfortable here. Everyone is very

friendly and helpful. Mary Berndt flew up from Florida the beginning of December to train me. Poor girl it was the coldest weather we have had so far this season and I recall how she hates the winters. I sure appreciated her coming and she was an excellent teacher.

Now a little about my family...I met my husband, Mike 21 years ago. He was umpiring at Sunny Vale ballpark and I was working in the concession stand there. 2 years later we were married. We now have 2 children. Derrick is 9 and is in the 3rd grade. His sister Allison is 7 and is in 1st grade. Never a dull moment in our household!!

It is a pleasure to work at Marathon County Employee's Credit Union. If I haven't had the privilege already - I look forward to meeting you!!

Don't Get Stuck with a Payday Loan!!

When you are short on cash, a payday loan may seem like a fast, easy solution to your troubles. Look deeper and you will see a payday loan could be the start of more trouble than you bargained for.

Payday lending stores are popping up everywhere, and some are charging rates from 261% APR (annual percentage rate) and up! Here's how a typical payday loan might work. The consumer writes a post-dated personal check to a payday lender for the amount they wish to borrow, plus a \$20 fee. The lender agrees to hold the check until their next payday, say two weeks down the road. When two weeks has passed, the consumer can either pay for the check being held, tell the lender to go ahead and deposit their check, or roll the loan over by paying an additional \$20 fee. 5579

The fees are where they really stick it to you!

Imagine paying 573% interest on a loan. That's what the annual percentage rate works out to when you pay a \$20 fee to borrow \$100 for two weeks time. And, if you roll over the loan, and pay another \$20 for two more weeks, your APR increases to over 1000% interest! Ouch!

What are your alternatives when you're running short between paychecks? Instead of getting stuck, get a Kwik Cash loan from your credit union. At 11.99% APR, you can borrow \$100 for two weeks and pay just 46 cents. And if you need the loan for 4 weeks, your total interest will reach a whopping 92 cents. A far cry from the \$40 you'd pay a typical payday lender. Another pain-free money saving option is using a MCECU credit card at 11.90% APR. Since there's no annual fee, there's no cost to you to have one on hand for an emergency.

Your credit union....always striving to provide members with outstanding value and exceptional service! 6900