SmartDollar Money Tips

# SmartDollar Money Tip:

# Guilt-Free Spending—The Secret to a Liveable Budget

When you’re creating your monthly budget, don’t forget to allow for a little fun money. Fun money (or pocket money) keeps you sane as you continue to make the tough, daily sacrifices it takes to win with money.

It’s okay to set aside some time and money for yourself each month. Even a small indulgence can do wonders for your money morale. Just be sure to set your fun allowance before the month begins and then stick with it no matter what.

So do your budget a favor and factor in some fun *before* the month begins. **Because the more realistic your plan is, the more likely it is to actually work.**

**SmartDollar Money Tip:**

# How to Save 15% for Retirement without Cramping Your Style

With a little planning and a more-than-average dose of motivation, **nearly everyone can retire with at least enough money to cover their bills.**

**Save Without the Sacrifice**

Don’t get confused. We’re not saying you should invest $300 a month for the next five years and call it a day. To get the kind of retirement we all dream of, you need to consistently put away 15% of your income. But for right now, let’s just focus on that first $300.

**Roll in That Raise:** Any time you get a bump in pay, roll that extra money right into your retirement account!

**No More Loans for Uncle Sam:**  If you’re currently getting a tax refund each year, it just takes a few minutes to reduce your withholding amounts and start sending more to your 401(k).

**Miscellaneous Moolah:** Don’t forget about small expenses that can add up like a landline or your cable bill.

Every dollar you add to your monthly retirement investing means a more secure retirement for you!

**SmartDollar Money Tip:**

# Don’t Miss These Four Tax Deductions

Let’s face it, taxes and deductions are flat out confusing, but here are a few deductions you don’t want to miss.

**State Sales Taxes**

For those people who live in a non-income tax state, you can deduct the state sales tax you paid that year.

**Charitable Donations**

You can get a deduction on charitable donations. For instance, deduct the mileage put on your car for charity work or the meals you prepare for a nonprofit organization.

**Student Loan Interest (if paid by Mom and Dad)**

You can deduct the interest if your parents paid back the loan. The only catch is that the child cannot be claimed as a dependent.

**Last Year’s State Tax Return**

Last year, did you owe your state instead of getting a refund? If so, you can deduct the amount you paid the state in last year’s return.

**SmartDollar Money Tip:**

# 3 Emotional Purchases That Can Zap Your Savings

# Whether you have the funds in place or will soon, watch out for these three types of emotional purchases that can zap your money.

# House Renovations

# Your emergency fund is not a contingency (or sinking) fund. If you need to make home repairs, set up a budget so you don’t dip into your savings.

# Vacations

# By all means, take a well-deserved vacation but not until you can afford it. Save up and pay cash, then book your room with a view.

# Big Household Items on Sale

An old dishwasher, television, or mattress is tempting to replace. Ask yourself if your house is livable without the item. The honest answer determines if you buy or not. Don’t be pressured by a deal that’s about to run out.