

Cleaning Up - Looking back and planning forward!

We're coming to the end of the year and it's a good time to look back at how you've done over the year. It's also a good time to look forward to see if there's room for improvement in the New Year! If you find some spare time over the Christmas festivities, take a moment to get your budget for the New Year sorted.

A starting point is looking back at the year gone by – where did all the money go? Gather together as much information as you can, for example your:

- bank statements for the last year
- payslips and/or details of social welfare payments
- regular bills such as TV/phone bundle, electricity/gas, mortgage or rent payments, recent grocery shopping bills

Use this information to help you draw up a budget for next year. You could also use the MABS website (www.mabs.ie), which has an excellent Self Help Guide and Budgeting Tool which will help you through the process.

It's always a good idea to first set up a system which will help keep on overview of your 'money in' and 'money out'. Start by setting up a good filing system – an accordion file is a great option, which gives you space to organise all your items. Gather all the paperwork you will need to do a financial review including:

- a list of your bank accounts and the balance on each
- a list of your loans (note the balances and completion dates of each, and find and keep the original agreements)
- bank statements
- utility bills
- insurance policies
- motor tax & NCT information
- any other financial information on regular spending like grocery bills

You might like to consider some of the following points when you're looking back over the year and forward to the year to come!

Bills and receipts

Do you have loads of old bills and receipts? It's a good idea to keep bills for about 12 months and then clear them out. Dispose of them carefully, using a shredder if you can – never put anything with your name and details on it straight into the bin!

If you pay bills through your bank account, make sure to check your bank statements regularly against the bills you get from your service providers. If these bills come via email, create a file on your computer to store them and delete anything older than 12 months.

Tax

Each year there are some areas of spending that we are entitled to receive a partial refund on from tax rebates, but a lot of the time they go unclaimed. Think back – have you spent money on any of the following?

- Medical expenses such as doctor or consultant visits, prescription medicine or certain dental treatments? (Have a look at www.revenue.ie for a full list.) If you have, gather together all the receipts and download a Med 1 Form or Med 2 Form for non-routine dental treatments. Fill it in and send it back, but remember to keep your receipts in your new filing system. It is important to remember that you cannot claim from both Revenue and a private health insurance provider.
- Service Charges (usually bin charges) are paid to your local authority each year. Previously we were able to claim tax relief on payments made in full and on time but this relief ended with effect from January 2012. However you can still claim before the end of 2015 for service charges paid in 2010, but this is your last opportunity to do so. To claim, download the "Tax Relief for Service Charges Paid" form from revenue.ie and send it in.
- Rent relief credit is being phased out but you are still entitled to claim if you have been in private rented accommodation since 7th December 2010. To claim, fill in a Form Rent 1 and send it back to Revenue. You will also need receipts from your landlord for this period.
- A variety of other tax reliefs are available including the Childcare Services Relief, if you have an income for childminding in your own home, and the Home Renovation Incentive which

which provides a tax credit for property owners for qualifying expenditure incurred on the repair, renovation or improvement of your property.

Remember, for all of the above, a claim for tax relief must be made within 4 years after the end of the tax year to which the claim relates. This is not a complete list of the rebates you may be entitled to or the credits you may be entitled to claim going forward, so spend a bit of time reading the Personal Tax information on www.revenue.ie. If you want to manage your personal tax affairs online, then PAYE Anytime is a very handy way to do so and all of the above credits can be claimed that way too.

Change of circumstance

Have you had a significant change of personal circumstance in the last year, such as losing your job or a spouse passing away? If you have, you may be entitled to tax relief and/or social welfare support. The Citizens Information Board (www.citizensinformation.ie) is a good starting point and will provide you with loads of useful information.

In addition Mabs also have useful leaflets offering money advice on these issues. Copies can be found on our website mabs.ie.

Subscriptions

It might be time to look at any memberships or subscriptions you may have but aren't using. For example, did you sign up to an offer for a TV package or subscribe to a magazine? That's all very well, but if you are not using them, then it's time to let them go!

With New Year's resolutions, gyms are always busy in January. But if you are not going as frequently at other times of the year, check if your gym can offer a seasonal membership instead.

Big days out

Almost every family has a special event to look forward to in the coming year. It might be a Holy Communion or Confirmation, a special birthday or anniversary, a wedding or a child going to university – wonderful family events which you will remember for years to come. However, to make sure the bills aren't with you for years too, check what costs are involved at an early stage and try to save for it gradually, setting some money aside each week. Try to keep borrowings or credit card payments to a minimum.

The Money Advice and Budgeting Service has helpful information, budget sheets and sample letters available online at www.mabs.ie. Advice and information is also available by calling the MABS Helpline 0761 07 2000 (Monday – Friday 9.00 am to 8.00 pm.) and from over 60 offices nationwide.

What's new?

Make sure to keep informed of any new tax or changes that will affect you and when they have to be paid.

Local Property Tax is based on the market valuation of your home in 2013. The actual rate charged may vary from place to place depending on the Local Adjustment Factor. This means that your Local Authority can vary the original rate up or down by 15%. Check how much you have to pay this year by logging onto www.revenue.ie and accessing your property tax records online. You will need your PPS number, Property ID and PIN, all of which can be found on letters from Revenue.

Domestic water charges for public water services were introduced from 1 January 2015 for both metered and unmetered homes. Irish Water are asking every household to register with them. You can register online at www.water.ie or fill in the application form sent to your home. Charges are based on the number of adults living in your home and are capped until the 31st December 2018. This means you won't be charged any more than the capped amount but you could pay less if you consume less water.

The MABS Helping Hand at Home Planner is a useful calendar to help you see where your money is going and will help you to plan ahead for future events. To get a free copy contact your local MABS service.

Struggling with repayments?

If you find you are struggling with repayments, then make a commitment to tackle your situation now – before you fall into serious debt. Making a weekly or monthly budget is a great place to start and will help you get a fix on your current situation.

If you are struggling with repayments, contact the MABS Helpline on 0761 07 2000 (Monday to Friday, 9am-8pm) for some help and guidance along the way.



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