

Extension to Families At Work...At Home

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Your
money's
worth



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PREPARING FOR TAX SEASON

As the economy struggles to recover, many working families will be happy to know that there are valuable federal tax credits can help them pay their bills and meet their needs in the face of cutbacks at work or periods of unemployment. Tax filers in 2011 may be eligible for an Earned Income Credit (EIC) worth up to \$5,666, and may qualify for additional tax credits even if they did not earn enough in 2010 to owe income tax.



The Earned Income Credit and Child Tax Credit (CTC) expansions in the American Recovery and Reinvestment Act of 2009 made more workers eligible for larger refunds. These credits will remain in effect for work in 2010. In addition, the Making Work Pay Credit, delivered throughout the year to most workers through their paychecks, is still active. So is the new American Opportunity Tax Credit, which helps students and working families pay for higher education last year.

Low-income working families who qualify for the Child Tax Credit will find it to be worth up to \$1,000 for each qualifying child under age 17. Families are now eligible for the Child Tax Credit for their earnings over \$3,000 in 2010. Families that are struggling with wage cuts and layoffs, or battling against foreclosure on their homes, may be unaware of their eligibility for the EIC or CTC. These tax credits are critically important work supports for employees in low-wage jobs.

10 Reasons Not to Tap Your 401(k)

A recent report by a major retirement plan provider revealed an uptick in the number of investors dipping into their 401(k)s through either loans or hardship withdrawals. If you really need the money and cannot access credit elsewhere, then borrowing from your 401(k), or taking a withdrawal, might be your best option.

There are several good reasons to keep your retirement savings intact if at all possible. If you are considering a loan from your 401(k) remember that the money you withdraw will not grow if it isn't invested. Repayments of the loan are made with **after-tax dollars** which means they will be taxed again when you eventually withdraw them from your account. The fees you pay to arrange the loan may be higher than on a conventional loan at a bank and the interest is never deductible even if you use the money to buy or renovate your home. If you leave your job you generally must repay the entire balance within 90 days of your departure, otherwise the remaining loan balance may be considered a withdrawal. Income taxes would be due on the full amount, and if you're younger than 59½, you may owe a 10 percent early withdrawal penalty, too.

Hardship withdrawals have their own set of consequences. First, your employer's plan must permit hardship withdrawals—not all do. The amount you withdraw cannot be repaid, and your future savings will be subject to a waiting period as well as 401(k) contribution limits. You'll owe income taxes on the amount withdrawn, and your employer will likely deduct 20 percent up front. You

could be subject to a 10 percent tax penalty if you withdraw before you are 59½ years old. There is also the possibility that your employer will require that you first exhaust all other available sources of funds, such as borrowing from your 401(k) or taking a commercial loan.

Visit FINRA's [Smart 401\(k\) Investing guide](#) for more information on managing your employer-sponsored retirement plan.

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The Science of Parenting

www.scienceofparenting.org

Parenting can be fun, enjoyable and stressful.

Are you looking for reliable, research-based parenting information? The Science of Parenting website provides parenting tips on research and puts them in understandable terms.

Obesity and overuse of electronic media

Do you know United States children between 8-18 years old spend an average of 44.5 hours a week using electronic media and only 8.75 hours a week in physical activity? Children who spend too much time in front of a screen tends to be overweight.

Too much media can increase body weight and reduce:

- Doing homework
- Metabolic rates
- Spending time with family
- Reading
- Physical activity
- Playing with friends



Too much media use not only increases the risk of obesity but can lead to:

- Cardiovascular disease
- Diabetes
- Joint disorders
- Depression
- Hypertension
- Sleep problems

What should parents do?

- Set limits and limit access to electronic media. How much screen time is your child setting at home, child care, school, and community events?
- Limit computer usage in a child's room
- Do not allow a TV in a child's room
- Do not allow media use during homework and meal times
- Promote physical activities
- Regularly eat family meals together
- Set a regular bedtime for your child
- Limit screen time for all family members
- Be a good role model for your child
- All children should get at least 60 minutes of moderate or intense aerobic physical exercise each day.

For more information, refer publication, *Obesity and overuse of electronic media* at www.scienceofparenting.org



All in the
family



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Start 2011 with New & Healthy Habits

Old habits die hard! Revise your vague goals such as “I want to lose weight” or “I want to exercise more” to more specific and realistic goals. Some examples include:

- **Eat breakfast every day.** (You will be less likely to snack later in the morning and early afternoon.)
- **Drink skim or 1% milk** instead of 2% or whole milk. (You will reduce your calories and grams of fat, yet still receive the same amount of calcium, protein, and vitamin D.)
- **Park the car farther out** in the parking lots of stores and malls. (Increase the number of steps you walk in a day.)
- **Get up one-half hour earlier** each day. (This can give you time to exercise, assemble healthy food in the crockpot, and make mornings less stressful.)
- **Try one new health-promoting food** each week. (Try eating more fish, which is high in omega-3 fatty acids; folate-rich foods such as green, leafy vegetables, dried beans, or breakfast cereal; or soluble fiber from oats and dried beans, which lower cholesterol.)
- **Put away the salt shaker.** (The new recommended maximum daily sodium intake is 1500 mg for everyone.)
- **Try one new physical activity** each month this winter...snowshoeing, cross country skiing, Wii[®], or join a fitness center class such as spinning.

Remember to pick one goal and stick with it! Change one habit at a time. Each small step can lead to a healthier 2011.

Less Sunshine May Call for More Vitamin D

New research on vitamin D, also known as the “sunshine vitamin,” suggests that adequate vitamin D intake may lower the risk of colon cancer, heart attacks, stroke, type 2 diabetes, falls, and some autoimmune diseases. Researchers from Wake Forest University have recently found that higher amounts of vitamin D are needed to preserve muscle strength and physical function. The newly released RDA (recommended dietary allowance) for vitamin D suggests 600 IU for those under the age of 70 and 800 IU for those over the age of 70.

Vitamin D can be obtained through exposure to sunlight and in the food that we eat. Fatty fish (tuna, salmon, sardines, mackerel, and cod liver oils) is one of the few types of food that naturally contains vitamin D. Milk has vitamin D added during processing, and contains 100 IU per cup; all milk (skim, 1%, 2% and whole) contain the same vitamin D. If you don't drink milk, choose orange juice fortified with vitamin D.

Exposing your hands, face, and arms to direct sun for 5-15 minutes three times a week allows your skin to synthesize adequate vitamin D. Despite the increased RDA, additional exposure to sunlight is not recommended and use of sunscreen is still encouraged; the new RDA for vitamin D was based on minimal sun exposure.

Individuals living in the upper one-third of the United States can have difficulty maintaining adequate vitamin D in the winter months, and most adults in those regions should consider a vitamin D supplement. Talk with your healthcare provider for specific guidance on vitamin D intake.

Join “Live Healthy Iowa”

The “Live Healthy Iowa-100 Day Wellness Challenge” is a fun, easy and affordable way to engage in healthy behaviors. The challenge starts January 20 and ends April 29, and is a team-based program designed to promote positive changes leading to a healthier lifestyle.

How does it work? Friends, families and co-workers form teams that track weight loss and/or minutes of activity. Then, gather the team's e-mail addresses and T-shirt sizes. Choose a team name and team captain. Register the team online at:

www.livehealthyiowa.org.



For your health



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