



# WAEPA CHECKLIST

## Maximizing Your Tax Refund: 7 Wise Ways to Allocate Extra Money

Getting a tax refund or finding yourself with extra cash can be a welcome financial boost. Rather than splurging on frivolous purchases, consider making strategic decisions to help secure your financial future. Here are seven smart ways to use your tax refund or any unexpected windfall.

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### Pay Down High-interest Debt

Start by tackling credit card balances or loans with steep interest rates. Reducing debt saves you money on interest payments and can also contribute to an improved credit score.

2

### Save for Emergencies

Building an emergency fund is crucial for financial stability. Aim to set aside three to six months' worth of basic living expenses in a readily accessible account. This fund acts as a safety net, providing financial security in case of unexpected expenses or emergencies.

3

### Invest in Retirement

Consider maximizing contributions to tax-advantaged accounts such as a 401(k) or an Individual Retirement Account (IRA). The earlier you start saving for retirement, the more time your investments have to grow, providing financial security in your golden years.

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## Save for Future Purchases

Planning for significant future expenses is a wise use of extra money. Create a designated savings fund for each of these specific goals, allowing you to make purchases without accumulating additional debt.

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## Invest in Education

If you have children or plan to further your own education, allocate some funds to a 529 plan or other education-specific account. Investing in education helps to ensure that you or your loved ones will have the financial means to pursue academic goals without the burden of excessive student loans.

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## Help Others

Whether it's donating to a local charity, sponsoring a child's education or contributing to another humanitarian cause, helping others can be a rewarding and impactful use of your money.

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## Save for Fun and Future Experiences

While it's essential to be financially responsible, setting aside a portion of your extra money for leisure and enjoyable experiences is also important. Whether it's a dream vacation, a hobby or an investment in personal growth, allocating some funds to life's pleasures can provide a healthy balance in your financial planning.

### WAEP A'S FREE FINANCIAL WELLNESS PROGRAM



WAEP A members have access to a free [Financial Wellness Program](#) through our partnership with Ernst + Young (EY). This program includes access to tools and financial advisors to help manage day-to-day finances and work towards long-term goals.

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