

2025 Financial Workshop

Preparing for tax season & making the most of your refund

About Me

- Senior Product Manager at The Walt Disney Company
- VITA tax prep volunteer for 6+ years
- Personal finance is my hobby - not a credentialed financial advisor/planner



Today's Presentation

- **Getting ready for tax season**
 - Why and how to get free tax help
 - How taxes work
 - How credits maximize your refund
 - Record keeping & tips for self-employed taxpayers
- **You got your refund – what's next?**
 - How to figure out financial priorities
 - What I do everytime I receive money

VITA/TCE

—

The VITA/TCE
Program offers free tax
return preparation for
qualified individuals.

VITA Eligibility

- Income of \$67,000 or less
- Persons with disabilities
- Limited English-speaking taxpayers

VITA Benefits

Free

Free for eligible taxpayers (retail tax prep fees can cost \$150-250!)

Accurate

Volunteers must pass IRS tax law exam

Every return gets a quality review before filing

Trustworthy

Operated by community organizations

Volunteers trained on ethics & confidentiality

Find a VITA site

Search “ VITA/TCE Locator Tool”
or visit:

<https://irs.treasury.gov/freetaxprep/>

Get Free Tax Prep Help

The IRS Volunteer Income Tax Assistance (VITA) and the Tax Counseling for the Elderly (TCE) programs offer free tax help for taxpayers who qualify. Find a provider near:

within miles

[Find >>](#)

4 results found

Provider	Distance	Dates	Hours	Languages	Appointment
Urban Upbound Online Service Online Service Only Go to https://www.getyourrefund.org/?s=UUNY or call 718-784-0877 ext. 7 for information Long Island City, NY 11101 Volunteer Prepared Taxes Get Directions and Service Details	0.1 MI	23 JAN 2024 - 31 DEC 2024	MON 9:00AM - 5:00PM TUE 9:00AM - 5:00PM WED 9:00AM - 5:00PM THU 9:00AM - 5:00PM FRI 9:00AM - 5:00PM SAT 9:00AM - 5:00PM	English Spanish Arabic	Not Required
SE Pilot Urban Upbound Long Island City 12-15 40th Ave Long Island City, NY 11101 718-784-0877 Volunteer Prepared Taxes Get Directions and Service Details	0.6 MI	23 JAN 2024 - 31 DEC 2024		English Spanish Arabic Chinese	Required
Urban Upbound Long Island City 1215 40th Avenue Certifying Acceptance Agent services available Long Island City, NY 11101 718-784-0877 Volunteer Prepared Taxes Get Directions and Service Details	0.8 MI	23 JAN 2024 - 31 DEC 2024		English Spanish Arabic Chinese	Required
Brooklyn Center for the Independence of the Disabled (BCID) 25 Elm Place 5th Floor Brooklyn, NY 11201 718-998-3000 Volunteer Prepared Taxes Get Directions and Service Details	4.3 MI	01 FEB 2024 - 31 DEC 2024		English Spanish Sign Language	Required

How Taxes Work



Why do we need to file taxes every year?

We have a “pay as you go” tax system in the US. As you get paid, some of that money is *withheld* for your tax liability.

We file a tax return for the previous year to reconcile the amount you paid throughout last year with the amount you actually owe the government for that year.

How is my refund determined?

The tax return looks at all your sources of taxable income. Your taxable income may be reduced by certain deductions.

The year's tax liability is determined based on your taxable income.

The return then looks at how much you paid toward that liability already. Sources of payment include withholdings and tax credits.

How is my refund determined?

If your withholding and credits are greater than your tax liability...

...You get a tax refund

If your withholding and credits are less than your tax liability...

...You have a balance due

Example: Single dad working full-time on ACA insurance

Joe earned \$42,000 in wages and made \$140 in interest.

He paid a child care provider to watch his daughter while he worked.

Joe had \$1,700 withheld for income tax from his paychecks through the year.

Before credits, Joe's tax is calculated at \$1,293. Non-refundable credits bring his actual tax liability to \$0.

Joe qualifies for refundable credits totaling \$3,145.

Joe's 2024 refund: \$4,845

(\$3,145 refundable credits + \$1,700 withheld from w-2)

How Tax Credits Maximize Your Refund

Credits reduce your tax liability. Refundable credits can increase your refund beyond your overpayment – **literally free money!**

Common Credits for VITA Clients

Work-related credits

Earned Income Tax Credit (EITC)

Child and Dependent Care Credit

Child-related credits

Child Tax Credit (CTC)

Credit for other dependents

Education-related credits

American Opportunity Tax Credit

Lifetime Learning Credit

Savings-related credits

**Retirement Savings Contributions
Credit**

Good record keeping is
the key to maximizing
your refund.

What to keep for tax season...

- ID and Social Security cards for all taxpayers and dependents
- All tax forms sent to you by employers, colleges, financial institutions, state or federal governments (typically by Jan 31)
- Any letters from the IRS/NYS Department of Taxation
- Receipts for education-related expenses (tuition, books, equipment)
- Receipts for child care expenses (including provider's taxpayer ID)

If you're self-employed/in the gig economy...

- You can deduct “ordinary and necessary” expenses from your earnings
- Maintaining accurate records will allow you to get the best refund possible
- If you are audited, you will need to provide the IRS with these records to substantiate your claims

Tips for Self-Employed Taxpayers

Self-employed taxpayers are more likely to owe because taxes are not withheld by your employer.

If you have a balance due...

- Pay in full by April 15
- Set up a payment plan
- Make quarterly estimated payments
- (If you have W-2 wages) Adjust your withholding

You Got Your Refund —
What's Next?



For many taxpayers, their refund is the biggest windfall they receive all year.

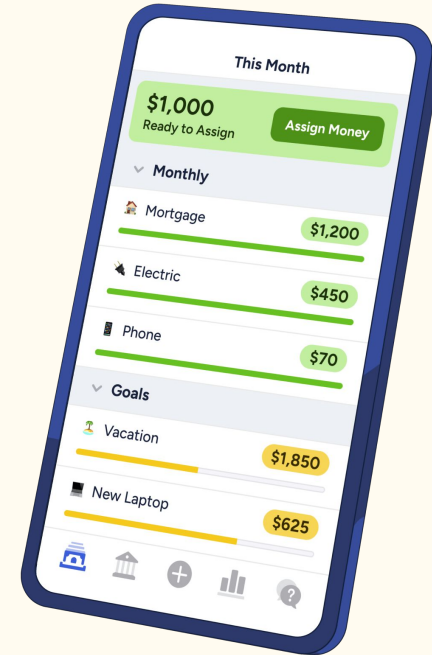
How will you make the most of it?

Plan your financial priorities by asking yourself these questions (in order)...

- Do I have this month's expenses covered?
- Do I have next month's expenses covered?
- Do I have any high interest debt?
- What are the long-term, infrequent but expected expenses I will need to cover?
- Am I saving for retirement?

Giving Every Dollar a Job: How I keep my finances in order

I ask myself these questions everytime I get money and allocate my funds accordingly.



Takeaways

- Find a VITA site for tax help
- Keep good records so you can claim all the credits you're eligible for
- Consider your financial priorities when you receive your refund