



## UPCOMING EVENTS

Monday, January 17th  
Branches & Main Office  
Closed



Contact Your Representative

### Michele Enriquez-Da Silva

Office (650) 363-1789  
Mobile (650) 533-1493

## Branch Locations

### Redwood City

619 Bradford Street  
(Mortgage Loan Center)  
525 Middlefield Rd  
830 Jefferson Ave  
3117 Middlefield Rd

### Daly City

415 Westlake Center

### Palo Alto

616 Ramona Street, Suite 3

### San Mateo

1515 S. El Camino Real

### South San Francisco

150 El Camino Real, Suite A

## Contact Us

P.O. Box 910  
Redwood City, CA 94064  
(650) 363-1725 • [www.smcu.org](http://www.smcu.org)

## THE HEALTH SAVINGS ACCOUNT (HSA)

Have a high deductible health plan? With the rising costs of health care, Health Savings Accounts (HSAs) are an invaluable option to help families effectively budget for necessary medical expenses.

Health Savings Accounts were created by President Bush in 2003 to combat rising medical costs and help individuals save for future qualified medical expenses on a tax-free basis.

An HSA is an alternative to traditional health insurance; it is a savings product that offers a different way for consumers to pay for their health care.

HSAs are tax-advantaged accounts that feature tax-free withdrawals for qualified medical expenses (consult your tax advisor for more details).

You basically own and control the money in your account and make the decision on how the money will be spent as opposed to relying on a third-party health insurer.

### Not sure if you're eligible?

- You must be covered under a high-deductible health plan (HDHP)
- Not covered by any other health insurance

### What are the tax benefits?

- Tax deductions when you contribute to your account
- Tax-deferred earnings through investments
- Tax-free withdrawals for qualified medical expenses

### We have designed the SMCU HSA to include features focused on ease and convenience:

- A high-yield dividend paying account
- The ease of making medical payments by using your HS A VISA Direct Check Card
- Simple set up
- The ability to make deposits at any time
- The convenience of arranging for recurring automatic transfers or depositing a portion of your paycheck via Direct Deposit.

We work with several companies to house the HSA accounts for their employees. We provide assistance in helping the accounts get set-up as well as tutorials on how to manage the account. Best of all, once your employees sign up for an HSA account and become members, they are eligible to take advantage of all the other SMCU products and services. We are pleased to assist our employer groups in setting up accounts.

Please contact Michele Enriquez-Da Silva or visit a branch for more information.

For additional information about Health Savings Accounts, please visit the US Treasury website at [www.ustreas.gov](http://www.ustreas.gov).

## The Solution to High Car Payments

RATES  
AS LOW  
AS

# 2.99%

APR\*

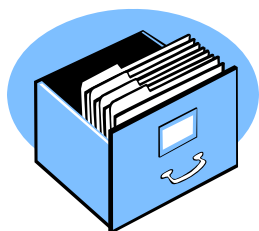
Ask for details

~SAN MATEO~  
CREDIT UNION

(650) 363-1725 | [WWW.SMCU.ORG](http://WWW.SMCU.ORG)



BEST WISHES FOR A  
GREAT NEW YEAR!



## NEW YEAR, NEW STUFF

Membership supplies

Do you have enough new-hire packet information? In need of brochures or membership applications? Call me for any of the following, and I will be happy to deliver them to you!

- ☒ New hire packets (Includes summary sheet, membership application, brochures, and auto buyer brochure)
- ☒ Summary sheet (Includes brief history, list of products/services, list of branches and ATMs)
- ☒ Membership applications
- ☒ Web link to Repline Newsletter
- ☒ Web link to SMCU benefits for company intranet

## PAYOFF HOLIDAY DEBT

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Exercise your credit card too much this past holiday? Pay down debt efficiently with these tips:

- ☞ Pay more than the minimum. A \$2,000 debt at 18% will take about 30 years to delete if you just paid the typical minimum of 2%.
- ☞ Determine a realistic and fixed amount you can pay each month.
- ☞ If you get a raise or a bonus, apply at least some of it to your debt.
- ☞ Consider transferring your balances to lower rate cards.
- ☞ Examine your statements to see which accounts you are paying the most in finance charges– then pay as much as you can to that debt while paying the minimum to the others. Once that account is paid off, concentrate on the next most expensive.
- ☞ After you have built up emergency savings, use extra cash to pay off debt. It doesn't make sense to pay 18% interest on a debt while your savings is only earning 2% interest.

## YEAR ROUND TAX SAVING STRATEGIES



Here are some ideas you can use throughout the year to make April 15th less taxing.

**1. Be organized**– Having your tax documents well prepared will make your return easier and may help with deductions you may have forgotten about. Consider using a software program like Quicken or Microsoft Money to keep you organized. You should also keep a file of receipts and other records you know you will need.

**2. Be sure to contribute to your 401(k) plan**– By deferring wages into your plan, you will keep your taxable income lower, save money for retirement, enjoy the benefits of tax-deferred compounded earnings within the account, and possibly get some form of “match” from your employer.

**3. Use proper withholding and estimated payments**– While getting a large tax refund is nice, it usually is not too smart to let the government hold your money until they refund your overpayment. There are rules about how much you must have withheld or paid in estimates to avoid IRS penalties. You may want to consult with your accountant to make sure you are properly covered.

**4. Consider giving appreciated stock to charities**– If you plan to make significant contributions to a charity and have some stocks you are holding at a gain, you may want to consider giving the stock instead of cash. You can get a charitable contribution for fair market value of the gift and not pay taxes on capital gains. There are some rules that apply, so consult your advisor.

**5. Contribute to your IRA early**– The earlier you contribute, the sooner the earnings become tax deferred.

**6. Get help if you have any complications**– If you have stock options, think you may be subject to the alternative minimum tax or are expecting any unusual tax items, talk to your advisor early in the year. Proper planning may help you avoid unpleasant surprises next tax season.

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APR

San Mateo Credit Union  
credit card rate



No  
Balance  
Transfer  
Fees!

All retail purchases  
and balance transfers

November 1, 2010 - January 31, 2011

ASK A REPRESENTATIVE TODAY FOR DETAILS.