



New York State Comptroller Thomas P. DiNapoli

Your Money New York

Fall 2009

Office of the State Comptroller
110 State Street, Albany, NY 12236

www.osc.state.ny.us
www.yourmoneynewyork.com

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**State Comptroller
DiNapoli is
working to find
and fight fraud at
every level of
State and local
government.**

The public's help is
needed in this fight.

New Yorkers can
report allegations of
fraud, corruption or
abuse of taxpayer
money by calling the
Office of the State
Comptroller's toll-free
hotline at

1-888-OSC-4555
(1-888-672-4555).

Message from Comptroller DiNapoli

Welcome to the fall edition of *Your Money New York*.

This *Your Money New York* newsletter is part of a multifaceted initiative at the Office of the State Comptroller to promote financial knowledge and education. This program is designed to give New Yorkers the information and tools they need to face the broad variety of money-related issues that may arise over the course of their lives – whether it is getting out of debt, looking for a job, saving for college or retirement, or buying a car or home.

These are difficult economic times. Confidence in our financial system has been shaken. Fewer employers are offering traditional pension plans with guaranteed retirement income. Scams and frauds designed to separate you from your hard-earned money are on the rise. These things contribute to making our financial lives more complex, and make it more important than ever that we take steps to protect ourselves and secure our future.

New Yorkers need access to useful and reliable financial information. This is why my Office has created a new website – www.yourmoneynewyork.com. The goal of this website is to serve as a centralized, coordinated access point for information you can rely on, and to connect you with programs and resources to meet whatever financial challenges you may be facing.

I encourage you to visit our new website, and take advantage of the information and resources on the site. I hope you find it useful, that you share it with your family and friends, and that you consider *Your Money New York* as your partner in pursuing your financial goals. I welcome your feedback as we continue to improve this program. Working together, we can make a strong, bright economic future a reality for all New Yorkers.

Sincerely,

Thomas P. DiNapoli
State Comptroller

Your Money New York Website Contents

No matter what financial issues you may face, you can get useful information at www.yourmoneynewyork.com, including topics such as:

- Banking
- Credit
- Debt
- Insurance
- Mortgages
- Retirement
- Saving & Investing
- Identity Theft & Scams

You can also find help and resources for:

- Families
- Senior Citizens
- Members of the Military
- College-Bound
Individuals

Your Money New York.com is Now Live!

Now more than ever, people face complex challenges in managing their financial lives – ranging from avoiding identity theft to building their retirement accounts. It is difficult enough to handle monthly living expenses, let alone reach financial goals like paying down debt and saving more. There are numerous financial resources available through federal, State and local agencies to assist people with whatever money issues they are facing – from unemployment to buying their first home, from college planning to retirement. The challenge comes in navigating through all these resources to find what you need.

Comptroller DiNapoli's new financial education and empowerment website, *Your Money New York* (www.yourmoneynewyork.com), is designed to facilitate access to government resources and information to help individuals and families deal with their financial challenges. The website is unique in that it is designed specifically for New Yorkers, connecting them with a wide variety of State programs and information and coordinating these with available federal resources.

The *Your Money New York* website is easy to navigate, and is designed to provide a “one-stop shopping” approach to money-related government programs and financial information. It provides New Yorkers with unbiased, fact-based information they can trust, from reliable sources not associated with sales pitches, scams or frauds.

The goals of the website are to:

- Provide centralized, coordinated access to local, State and federal government resources on money-related topics;
- Facilitate public access to available programs and services; and
- Support and promote effective government programs.

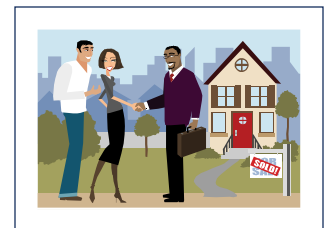
The *Your Money New York* website will serve as the central hub for all of Comptroller DiNapoli's financial education activities. It will also connect New Yorkers with important programs, such as New York's 529 College Savings Program and Unclaimed Funds, to help you meet your financial goals.

New York Offers Help for Home Buyers

In August, the State announced a new federal tax credit to help people purchase homes. The New York State Mortgage Credit Certificate (MCC) enables qualifying buyers to claim a credit of 20 percent of their mortgage interest on their federal taxes, which can be deducted dollar for dollar from their federal tax liability, for as long as they own their homes. The resulting savings may be substantial. According to the State of New York Mortgage Agency (SONYMA), for a loan of \$200,000 with an interest rate of 5.5 percent the tax credit would be \$2,186 (or \$182 per month) in the first year, and would gradually decline as the amount of interest paid decreases.

The remaining 80 percent of a home buyer's mortgage interest still qualifies as an itemized deduction. The MCC can also be combined with the existing \$8,000 federal tax credit for first-time home buyers. To qualify for the MCC, you must meet regional purchase price limits, household income limits, and other program participant requirements. The limits vary by county, household size and property type. To participate you must be a first-time home buyer or an honorably discharged military veteran or purchase a home in an economically distressed “target area.”

Only new, fixed rate mortgages from participating lenders are eligible. For more information, visit SONYMA's website at www.nyhomes.org/index.aspx?page=898 or call 1-800-382-HOME (4663). To learn more about the federal tax credit program, which is only available for recent home purchases completed before December 1, 2009, see the Internal Revenue Service's website at www.irs.gov/newsroom/article/0,,id=204671,00.html or call 1-800-829-1040.



New GI Bill Takes Effect

If you served on active military duty on or after September 11, 2001, you may be able to take advantage of a new GI bill which offers veterans significantly improved educational benefits. The Post-9/11 Veterans Educational Assistance Act (or simply the New GI Bill) took effect on August 1, 2009.

The law expresses our nation's gratitude to the men and women who took the lead in defending the United States after September 11th, in Afghanistan, Iraq and elsewhere. Modeled on the original GI Bill of 1944, which helped millions of World War II veterans attend college, the New GI Bill provisions include:

- **Full funding.** While previous veterans benefits paid only about 70 percent of the cost of public college education and 30 percent of private college costs, the Post-9/11 GI Bill covers up to the full cost of the most expensive in-state public school, including 100 percent of tuition, fees and books, as well as a monthly housing stipend, for up to 36 months (or four 9-month school years).
- **Expanded eligibility.** Previously, two consecutive years of active duty service were required before a veteran qualified for any benefit. Under the new law, benefits begin at 40 percent for those with 90 days of service, with the full benefit available to those with three or more years of active duty service. Moreover, members of the National Guard and Reserve are also now eligible for full benefits.
- **Transferability.** Veterans can transfer GI Bill benefits to their children or a spouse, or share benefits among family members.

The law is quite complex, as it was written to address a wide variety of circumstances. Although the Post-9/11 GI Bill generally offers a better deal for most veterans, some members of the military, particularly those still on active duty, may find the older Montgomery GI Bill more favorable to their needs. Once you select the New GI Bill, you cannot return to the Montgomery GI Bill, so it is important that you understand your options fully before applying.

The U.S. Department of Veterans Administration (VA) has created a website, www.gibill.va.gov, that offers detailed information on the provisions of the bill, including help in determining which benefit is best for you, and the procedures to apply. The website also includes frequently asked questions, and contact information if you need any help making your choice.

VA Vocational and Employment counseling is available to all veterans at 1-800-827-1000, and you can discuss your options with a VA education benefits specialist by calling toll-free 1-888-GIBILL-1 (1-888-442-4551) or TDD at (800) 829-4833. A number of independent veterans organizations also offer information and personal assistance.

In addition to the benefits offered through the new GI Bill, there are other education assistance programs available to veterans. For example, New York's Higher Education Services Corporation (HESC) provides information on educational opportunities for those who are serving or who have served in our nation's armed forces. To learn more, visit the Military Corner at HESC's website, www.hesc.com/content.nsf/SFC/Military_Corner for information on grants and scholarships for New York veterans and military members, such as the Veterans Tuition Awards and the Military Service Recognition Scholarship.

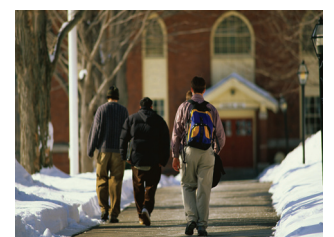


Length of Service

The percentage of the maximum benefit under the New GI Bill depends upon the length of active duty service:

- At least 36 months: 100 percent
- 30 to 36 months: 90 percent
- 24 to 30 months: 80 percent
- 18 to 24 months: 70 percent
- 12 to 18 months: 60 percent
- 6 to 12 months: 50 percent
- 90 days to 6 months: 40 percent

With a service-related disability, only 30 days of continuous service are required to qualify for the full 100 percent benefit.



Free “My Money” Tool Kit

The federal Fair and Accurate Credit Transaction Act (FACT Act) established the Financial Literacy and Education Commission to improve the financial literacy and education of United States residents. This is done through a website, www.mymoney.gov, and a toll-free telephone number (1-888-MYMONEY).

The program provides access to money-related materials and resources from federal agencies that deal with financial issues and markets. Information is provided to assist consumers with: budgeting and taxes; credit; financial planning; home ownership resources; kids; paying for education; privacy, fraud and scams; retirement planning; saving and investing; and starting a small business.

The program also offers a free “My Money” Tool Kit that contains the following publications:

Consumer Action Handbook – This 182-page guide provides helpful tips on how to be a smart shopper, prevent identity theft, understand credit, file a consumer complaint, and much more.

Roadmap to Saving and Investing – This Securities and Exchange Commission resource provides helpful tips and worksheets for setting financial goals, creating a financial plan, and getting started with investing.



Consumer Information Catalog – This catalog lists resources that you can order related to money, housing, employment, federal programs, and many other topics that are either free or available at a low cost.

Money Smart – This guide introduces you to the Federal Deposit Insurance Corporation’s (FDIC’s) financial education program, which has helped more than 2.4 million adults improve their financial skills.

Your Investments – This guide provides advice on questions you should ask before investing and what to do if you run into problems.

Social Security: Understanding the Benefits – This booklet provides details on retirement, SSI, disability, survivor's benefits, Medicare and more.

Higher FDIC Insurance Coverage – This guide outlines the new, temporarily higher bank deposit insurance coverage provided through FDIC-insured banks, including how to make sure you are covered.

You can order this free financial tool kit online at www.mymoney.gov/order.shtml or by calling 1-888-mymoney (or 1-888-696-6639).

Resource Guide

You can learn more about the topics discussed in this newsletter from the following websites:

Your Money New York Resources:

How can I learn more about programs offered through the Office of the State Comptroller?

www.osc.state.ny.us

Homebuyer Resources:

Where can I learn about New York homebuyer programs?

www.nyhomes.org

Where can I learn about federal homebuyer programs?

www.hud.gov

New GI Bill Information:

What other resources are available to help me?

www.gibill.va.gov/links.htm

How can I access New York programs for veterans?

www.veterans.ny.gov

Consumer Money Resources:

Where can I find more consumer-based information?

www.consumeraction.gov/

Where can I find New York-based resources?

www.consumer.state.ny.us

If you would like to be added to our mailing list for future editions of this newsletter by email or hard copy, or if you have any suggestions for future topics to be addressed, please let us know!

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