

Information from BrightStar Credit Union and CFS* to help keep your financial life in balance

Consumer Sense

Change is Coming

Presidential-elect Barack Obama ran under the slogan, "Change We Can Believe In". Changes will certainly take place starting with his inauguration into office on January 20, 2009. This administration will be tasked with resolving major economic issues such as near-record unemployment, recession and the ongoing housing crisis. The United States government, along with its various federal agencies, may utilize several strategies to combat economic problems in order to put our economy back on a growth path.

President-elect Obama has laid out a plan to jumpstart the economy with policies ranging from energy rebate incentives to the elimination of income tax for seniors.

Proposals From The New Administration Emergency Rebate

To jumpstart the ailing economy one measure proposed by Presidential-elect Obama is to provide each household

with \$1,000 in the form of emergency energy rebate. The purpose of the rebate is to provide families with immediate relief from rising energy bills. This first rebate would be part of a yearly, permanent tax relief package of at least \$1,000.

Tax Relief for Working Families

According to their plan to strengthen the economy, the new administration will create a "Making Work Pay" tax credit of up to \$500 per person, or \$1,000 per working family. By their estimations, the "Making Work Pay" credit will eliminate income taxes for 10 million Americans.

Tax Relief for Seniors

To assist in providing relief to seniors, Presidential-elect Obama has proposed a measure that will eliminate income taxes for seniors who make less than \$50,000 per year. According to the website www.barackobama.com, this proposal is designed to eliminate income taxes for 7 million seniors and provide these seniors with an

average savings of \$1,400 each year.

Support for Small Business Owners and Start Up Companies

In order to help stimulate job growth, President-elect Obama is proposing a measure to eliminate capital gains taxes on start up and small businesses. He proposes launching the the elimination of the capital gains tax with the "Making Work Pay" in order to provide relief of the double taxation paid by small business owners.

Who Can Assist Me?

Now may be a great time to visit your with the investment professionals at your local credit union to discuss your short-term and long-term goals, and how these proposed changes may impact you. To schedule an appointment with one of our investment representatives, ask a branch representative or go to our credit union website.

***For specific tax advice, please consult a qualified tax professional.**

Source:
<http://www.barackobama.com/issues/economy/>

Have You Read...

The Standard & Poor's Guide to Long-term Investing: 7 Keys to Building Wealth by *Joseph Tigue*. Successful investing doesn't have to be a pressure-packed chore. This book provides investors with commonsense rules and guidelines to take the pain out of investing and replace it with certainty and confidence investing without relying on buzzwords.

Interested in Learning More?

I specialize in helping people maintain a healthy financial balance and discover smart money strategies. Call me to set an appointment to review your investment objectives, and to discuss any questions you might have. I look forward to speaking with you!

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Do you have a topic you'd like to see covered in future Wealth News newsletters? Email your questions and comments to me at: luis@bscu.org

