



WHERE TO SPEND YOUR \$900

This month the Government is rolling out their \$42 billion stimulus package. Adrian gives us lots of great ideas on spending your \$900

If you pay tax and earn under \$80,000 you are going to enjoy an extra \$900 from the Government this month. Happy days! Thank you Mr Rudd!

Now Uncle Kev wants us all to go out and spend spend spend ... but there are a few things that you should think about first.

Get your tax in

Make sure that you have lodged your tax return from last year though otherwise you will miss out. Has there ever been a greater incentive to get it done?

Pay off the credit card

If you do have a credit card debt and not managing it then you really need to look after No 1 first and put your bonus towards getting rid of it. There will be plenty of time for spending and nation building once you are out of debt. With current interest rates on credit cards around 18.24% you are going to save \$164 in interest per annum.

Aussie Aussie Aussie Oi Oi Oi

The key to your spending is that Uncle Kev wants you to help the Australian economy and the only way to do this is to buy goods and services from Australian businesses. So if you are thinking about spending your money overseas please think again.

Insure your life

The statistics show that the majority of us don't have life insurance and the main reason is that we can't afford it. Considering that a 35 year old woman could potentially get \$1 million of life cover for about \$500 it is a lot more affordable than you think particularly with an extra \$900 in your purse.

Book a domestic holiday

Don't go overseas as your spending isn't going to help local tourism. If you want a holiday then pick a nice spot in Australia that you have always wanted to visit.

Earn an extra \$1,350 risk free

This is a sneaky one but a real good one! If you earn under \$30,342 you are eligible for the full benefit of the superannuation co-contribution. So by sacrificing the \$900 as a personal contribution into super you will get a further \$1,350 from the Government. This benefit is reduced by 5 cents for every dollar you earn over \$30,342 up to \$60,342. This extra money even pay for life insurance premiums within super.

Make it tax-deductible

If you are going to spend your dosh from the government why don't you make a tax deductible purchase and get a bigger refund at year end. At the 31.5% tax bracket, a \$900 deduction gives you a refund of another \$284 to spend in the economy!

Education tax refund

For those with school children, if you receive Family Tax Benefit Part A you can claim the 50% education tax refund on up to \$750 for each primary school child's eligible education expenses and up to \$1,500 for secondary students. So \$900 spent here may get you an extra \$450. If you are going to spend you may as well spend wisely!

Buy some more shoes

Yes ladies you read right. You have the thumbs up from me to go and spurlge on some new shoes. Your spending will help the economy. Tell your husbands that I said it was ok. What are you waiting for?

Happy spending!

How much will be paid?	Taxable income
\$900	Up to \$80,000
\$600	Between \$80,001 - \$90,000
\$250	Between \$90,001 - \$100,000

Footnote - the proposed payment of \$950 was reduced to get the stimulus package passed through the Senate