



## Tax Refunds Can Put You In More Debt

It's that time of year – tax time but be warned your tax refund can cause you unnecessary money stress if you haven't planned wisely on how you are going to spend it. Australia's leading personal budgeting company MyBudget says the extra money which comes in every year can quickly disappear without much to show for it if a tax budget isn't put in place. MyBudget Founder and Director Tammy May said many people are under a false belief a tax refund will solve all their financial problems when in fact it can make things worse. "It happens far too often, people dream big on how they are going to spend their tax return at the end of financial year sales buying electronic gadgets, new clothes or even going all out and purchasing a new car," Ms May said. "Mid-year sales can be a dangerous business as many consumers think they are saving money by purchasing so-called bargains but simply forget about their own personal debts such as a mortgage, credit card repayments or unexpected expenses," she said. MyBudget client and mother of two young children Natalie Clothier said she has learnt the hard way in how to spend a tax return and actually reap the benefits. "Before joining MyBudget I never planned for emergencies, so year after year my tax return went on financial surprises such as a \$1,000 hip operation for my pet dog and car repairs," Ms Clothier said. "After finally seeking help from a personal financial trainer MyBudget has made me realise just how much money I have wasted," she said. "This year my tax return is going into helping pay off one of our high interest debts, so there will be more surplus in the weekly family budget over the next 12 months." MyBudget 2012 tips on how to benefit from your tax refund:

- Be organised and have all tax-related paperwork filed or in a folder
- If you do your own tax return understand what you can and can't claim
- Pay a lump sum off a high interest debt
- Catch up on late payments in your budget
- Consider topping up your emergency funds or dedicated savings account
- Put some extra money into super and take advantage of the Government's co-contribution scheme

MyBudget, listed at number 41 on the BRW Fast 100 2011 is Australia's premier personal budgeting company, which assists more than 20,000 clients by managing their finances, teaching them to break bad financial habits, achieve their financial goals, reduce debts and save money. MyBudget has offices in Sydney, Melbourne, Brisbane and Adelaide. Issued by: Jemima Hickman of O'Rourke PR on (08) 8363 5588 or 0419 754 564, and Adam Thomson of O'Rourke PR on (08) 8363 5588 or 0430 420 120.

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