

KNOW YOUR RIGHTS: Financial Literacy

Free to Be Youth Project and Streetwork Harlem

Budgeting and Paying Bills

- Looking at how much income you have coming in (wages, benefits, etc.) and what is going out (expenses)
- Top-down (income minus expenses) or bottom-up (total bills to find necessary income to cover these bills)

Savings

- Short-term (liquid): Money for emergencies, usually called an 'Emergency Fund.' Should try for 3-6 months' worth of savings.
- Mid-term: Money for bigger purchases like a house or car, but also for fun activities like a vacation.
- Long-term: Not as easily accessible; usually put away to save for retirement or child's education.

Paying Bills:

- Most companies allow bills to be paid on certain days; ask to align paydays a couple of days before important expenses are due (rent, etc.)



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YOUTH
PROJECT



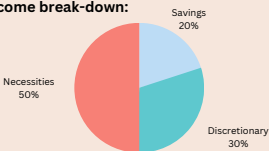
Taxes: Why and How

- Everyone is expected to pay taxes; penalties for not paying can be very serious and can include criminal and economic liability, like jail time and impacted credit score.
- Paying taxes and filing a tax return is necessary regardless of citizenship status.

Paying taxes:

- If you work at a job that gives you a paycheck you will receive a W2, and your employer will have taken money out of your check to pay some of your taxes. In this case, you file to pay taxes once a year (usually in April).
- If you work in the gig-economy, are self-employed, etc., you need to file your own taxes usually on a quarterly basis to avoid fees.
- Other sources of income (investments, business, etc.) are taxed differently so it can be worth it to work with a qualified tax preparer.
- Income taxes generally include: Federal Income Tax, State/City Taxes, Social Security, and Medicare.
- If you get paid for services in cash (dog walking, babysitting, etc.) consider filing as self-employed to be able to write off expenses as tax deductible.
- If you receive income for work that is criminalized (sex work, etc.) talk to a tax expert about how to report your income.

Income break-down:



Public Benefits

Accessing benefits:

- Use [access.nyc.gov](https://www.access.nyc.gov) and input your information to see eligibility and apply for public benefits.

SSI/Social Security Disability Benefits:

- Federal programs for adults and children who have financial need and cannot work due to disability.
- Income limits are \$735/month for single persons and \$1,103/month for couples.
- Rep payee program allows for benefits to be received by another person/organization on behalf of the recipient.

A	EMPLOYEE INFORMATION		PAYOR INFORMATION		STATE OF NEW YORK INFORMATION		FEDERAL INFORMATION	
THOMAS P. DOWD State Comptroller	NEW EMPLOYEE 150 STATE STREET ALBANY, NY 12210		P/R Code P/R Plan Code P/R End Code Employment Date		NYS STATE ID CHANGING STATE ID ADDING STATE ID STATE ID END DATE		Social Security Number Federal ID Number	
Description City Location Job Title Pay Date	TAX STATUS Exempt Allowance Add Percent Add Amount	Federal NY State NYC Unemploy						
B	RECURRING DEDUCTIONS				TAXES			
Description Regular P/R Salary Deduction	Amount 1,013.95	YTD 1,013.95	Current 0.00	YTD 0.00	Description Federal Withholding NY Withholding NY Retaining	Current 101.14 1,521.03 611.12	YTD 1,521.03 1,521.03 3,652.17	2024 14,429.85 1,877.84 1,216.02
D	BEFORE TAX DEDUCTIONS				AFTER TAX DEDUCTIONS			
Description 1500 Unreduced Regular Tax Regular Before Tax Health	Amount 0.00 0.00	Current 0.00 0.00	YTD 0.00 0.00	Description 1500 Unreduced Regular Tax 1500 Before Tax Health	Amount 0.00 0.00	Current 0.00 0.00	YTD 0.00 0.00	2024 0.00 0.00
E	TOTAL GROSS		FEAR EXEMPT GROSS		NET PAY		NET PAY	
Current YTD	1,013.95 1,013.95	1,013.95 1,013.95	0.00 0.00	0.00 0.00	1,013.95 1,013.95	1,013.95 1,013.95	1,013.95 1,013.95	1,013.95 1,013.95
F	ACCOUNT NO.		ACCOUNT BALANCE		CHECK NUMBER		CHECK AMOUNT	
Account No: 00000000000000000000000000000000	Current Date: 10/27/2024	Current Balance: 1,013.95	Check Number: 1,013.95	Check Amount: 1,013.95				

Model Paycheck (NYS Employee)

- Section A:** General information (name, employer name, employee ID, etc.)
- Section B:** Hours and earnings (Current and YTD)
- Section C:** Taxes (see above)
- Section D:** Deductions (Before and after tax deductions)
- Section E:** Paycheck totals (Current and YTD paycheck totals)

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Disclaimer: These are only examples, not endorsements. Do your own research to find the best bank for you.

Identity Theft

Student loan scam:

- Probably a scam if: asked to pay a fee upfront or monthly; promised immediate loan forgiveness; or asked to provide FSA ID.

Family identity theft:

- Family members may have used your information to open credit cards, take loans, etc.
- Can seriously impact your credit score and ability to get credit in the future.
- Monitor online accounts and set fraud notifications.
- If necessary, take legal action.

Examples of...

"Brick and mortar" banks:



Online banks:



Credit Unions:



Employment Discrimination

It's illegal for an employer to discriminate on the basis of:

- Sex
- Age
- Citizenship
- Color
- Disability
- National origin
- Pregnancy and lactation
- Race
- Religion
- Creed
- Sexual orientation
- Gender identity
- Veteran status
- Arrest/conviction record
- Caregiver status
- Credit history
- Pre-employment marijuana testing
- unemployment status
- Salary history
- Status as a victim of domestic violence, stalking, and sex offenses

Accommodations:

- Employers must make reasonable accommodations (like modifying schedules/equipment, extending leave, etc.) for employees with disabilities.

Worker Rights:

- NYC has special protections for workers in industries like fast food, food delivery, retail, and freelance. This includes paid leave, the right to organize, minimum wage, overtime, and more. Learn more at <https://tinyurl.com/5a5y9477>

Banking and Discrimination

Opening an account:

- "Brick and Mortar" banks have many physical locations and ATMs. Online banks often have lower costs which can lead to improved interest rates on accounts. Credit Unions are usually smaller scale but are owned by clients (as opposed to investors) which can correlate with better interest rates and lower costs overall.
- Savings (where you store money to save) vs. Checking (quick and easy access to money)
- Most banks require a mailing address and proof of ID (if affiliated with a shelter, you can likely use the shelter address with a "care of" statement)
- Confirm the account does not allow for over-drafting
- The federal government (FDIC) insures bank deposits up to \$250,000 per account. This does not include some financial services apps like Venmo and CashApp.

Rejected from opening an account:

- Legal reasons to be rejected: History of overdraft; bankruptcy; identity can't be verified
- Illegal reasons to be rejected: Sexual orientation or gender identity; disability; race; religion; and more

