

Parents Often Miss Tax Deductions and Credits for College Costs

Missing out on legitimate credits and deductions is a common tax mistake for parents of college students. A recent study by the U.S. Government Accountability Office (GAO) reported that 27% of eligible tax filers failed to take advantage of deductions and credits aimed at parents of students enrolled in higher education. They missed out on an average tax savings of \$169.

Picking the right deduction or credit starts with reading IRS (Internal Revenue Service) Publication 970, Tax Benefits for Education, available online at irs.gov.

Hope and Lifetime Credits

The Hope Credit benefits students who are enrolled at least half-time during their first two years of college. Parents can claim a tax credit of up to \$1,650 per student.

The Lifetime Learning Credit can be taken throughout the course of the student's higher education, but requires at least \$10,000 of eligible expenses each year. Parents are limited to claiming one \$2,000 tax credit per return.

Both credits are reduced after parents hit certain income levels, with a maximum adjusted gross income limit of \$110,000 for parents filing jointly in 2006.

More smart tax moves

Parents who earn too much to claim Hope and Lifetime credits still may qualify for the tuition and fee deduction. The deduction was reduced from \$4,000 to \$2,000 after adjusted gross income hit \$130,000 in 2006 and eliminated for incomes of more than \$160,000.

Other tax moves that can benefit parents include:

- * Paying enough expenses out-of-pocket to qualify for deductions or credits before tapping a "529 plan" or a Coverdell account, which allow parents to pay for college expenses with tax-free earnings.
- * Continuing to claim a student as a dependent while in college, which can be done until the student reaches age 24 as long as the parents provide at least half of his or her support.
- * Claiming deductions for payments made on student loans, as long as the person who took out the loan is the one who makes the loan payment.

Higher education deductions continually are shifting, so always remember to check the latest rules online.

Roanoke Postal also can help with questions about saving and paying for college. Visit us today or call 342-3429 or 800-342-3429.

Direct Deposit Trims Your To-Do List

We're a nation on the go. There's work time, fitness time, child time, spouse time, parent time, friend time, and—if you're lucky—some quiet time.

Wouldn't it be nice to worry about one less thing? Try direct deposit.

With direct deposit, you authorize your employer or federal agency, like the Social Security Administration, to deposit your check directly into your Roanoke Postal account so you can count on access to funds without visiting the credit union. Instead of a check, you receive a paper record of the transaction. Employers, for example, provide an earnings statement on payday showing net deposit and how much was withheld for taxes, company savings plans, or any other withheld amounts.

No matter where your check is coming from, direct deposit takes the worry out of:

- ❖ Stolen or misplaced checks.
- ❖ Delayed deposits. Your funds are deposited regularly, and on time. You get paid even if you're not at work on payday, or can't make it to RPEFCU during business hours.
- ❖ Lost time. One estimate says direct deposit can save up to 24 hours a year otherwise spent going to the credit union to cash or deposit your paychecks.

Roanoke Postal Employees'
Federal Credit Union



Our Members. Our Strength.
Our Future.

CU-Tips

January 2008

RPEFCU . . . Has GAS!

Rates as low as 5.75% APR for NEW and 6.25% APR for USED vehicles.

That's right!
We're giving away
\$10,000 in
FREE GAS!*

With every Vehicle Loan
you'll receive \$5 of gas for
every \$1,000 of your loan.


New, Used or Refinanced* Vehicle Loans

Example: \$20,000 loan gets you a \$100 gas card, with a \$10,000 loan you get a \$50 gas card!

* \$10,000 is the total amount to be given out as gas money. ♦ On RPEFCU refinanced loans, gas credit is good ONLY for the new money portion of the loan. Loans subject to qualification. Rates and terms subject to change.

GREAT NEWS! We're in your Neighborhood!

32,000 FREE ATMs for you to use starting January 15th!

So that we can be even more convenient to you, we've become part of the Allpoint network! ***What does this mean for you?*** It means that your credit union is now where you are for your convenience! RPEFCU members can enjoy **surcharge-FREE** transactions at over 32,000 ATMs, **911 in Virginia** alone! Just look for the Allpoint network logo on ATMs. Or better yet, log onto our web site, www.rpefcu.org and click on the Allpoint  link to find the FREE ATMs in your area!

ATMs Available within 50 miles of these locations



Vacation Spots

- ❖ Myrtle Beach, SC - 47
- ❖ Orlando, FL - 478
- ❖ Pigeon Forge, TN - 58
- ❖ Nags Head, NC - 34
- ❖ Williamsburg, VA - 329
- ❖ Las Vegas, NV - 76
- ❖ Washington, DC - 719
- ❖ New York, NY - 2435

- ❖ Roanoke - 72
- ❖ Lynchburg - 52
- ❖ Christiansburg - 69
- ❖ Bedford - 56
- ❖ Altavista - 58
- ❖ Scottsville - 56
- ❖ Wytheville - 32
- ❖ Danville - 64
- ❖ Big Stone Gap - 37
- ❖ Grundy - 34
- ❖ Bastian - 35
- ❖ Covington - 52
- ❖ Madison Heights - 50

(CU24/CU Here ATMs are still available to members.)

Did You Know . . .
114,223 transactions have been
made at the Main Office ATM this year.

**Roanoke Postal Employees'
Federal Credit Union**

Is a member-owned, not-for-profit financial cooperative. It is run by a volunteer Board of Directors chosen by the members of the credit union.

Mailing Address: P.O. Box 12405 • Roanoke, VA 24025

Office Locations:

419 Rutherford Ave. • Roanoke, VA	Office Phone: 540-342-3429
4025 Brambleton Ave. • Roanoke, VA	800-342-3429
3300 Odd Fellows Rd. • Lynchburg, VA	Office Fax: 540-345-0500

PAL: Roanoke area: 855-3600 • Toll-free: 800-450-2345

My_CU@Home Online Banking available at www.rpefcu.org



A Message From Our CEO

Dear Member Owners:

Have you ever heard the saying, "I'll scratch your back if you scratch mine"? Are you familiar with Cooperative Organizations? A Cooperative is defined as a business owned and controlled by the people who use its services. Sound like a Credit Union? Of course it does because Credit Unions are Cooperative Organizations. Our members, you & I, not only use the credit union but also own the credit union. Simply put, the credit union's mission is to meet the financial needs of its member owners.

So let's go back to my original question. Have you ever heard the saying, "I'll scratch your back if you scratch mine?" Sure you have and it's a saying that I want you to remember and associate with your credit union. As a member owner, it's imperative that you support your credit union by using as many services as possible. If you are in need of a service that the credit union offers, please give your credit union a chance to earn your business. Why? The more business you give your credit union, the stronger your credit union becomes and the better equipped your credit union will be to offer even more products and services at even better prices. Your credit union will always be thinking of our memberships best interest in every decision we make. The more you allow us to do for you and the bigger your relationship becomes with us, the better our rates and prices will become. Simply put, when you scratch the credit union's back, it's easier for the credit union to scratch yours.

Here are a few more questions for you to consider:

- ❖ Do you have a loan somewhere other than your credit union?
- ❖ Do you have a checking account somewhere other than your credit union?
- ❖ Do you have a certificate somewhere other than your credit union?
- ❖ Do you have a credit card somewhere other than your credit union?
- ❖ Do you have a debit card somewhere other than your credit union?
- ❖ Do you have your direct deposit somewhere other than your credit union?
- ❖ Are you using internet banking and bill pay somewhere other than your credit union?
- ❖ Are your family members conducting their financial business somewhere other than your credit union?

If you have answered yes to any of these questions, let me ask you one more:

- ❖ Will you give your credit union the opportunity to earn that business that you have somewhere other than your credit union?

The next time someone tells you that your credit union is just like a bank, ask whose backs are the banks scratching?

Sincerely,

Jeff Thompson, CEO

Got a question about Roanoke Postal's products, services or a promotion?

Just dial up the Call Center at 540-342-3429 or 800-342-3429. Our Call Center staff is here to give you the personal service and attention that you experience at our offices. If you need account service or additional information about any credit union product or service, you can call on our friendly and professional staff to assist you. It's personal service that's just a phone call away!



Call Center Staff includes: Kym Riddle, Renee Walker, Mary Hemberger and Karen Boothe

The Call Center answers all incoming calls to the credit union and can quickly do a variety of services for you including: wire transfers, stop payments, HELOC advances, MasterCard payments, account information and much more.

Pay Your Bills Online; It's Easier and Safer

Why write checks and pay postage to mail your bills when, with the click of a button, you can safely pay online?

Online bill payment saves you the bother of hand writing checks and envelopes each month. You'll save on postage too, and online transactions via secure web sites are much safer than mailing checks. Paper checks can be stolen—or your account information compromised—during the several points they're handled in the mail or during processing. With today's identity theft issues, that's a real concern.

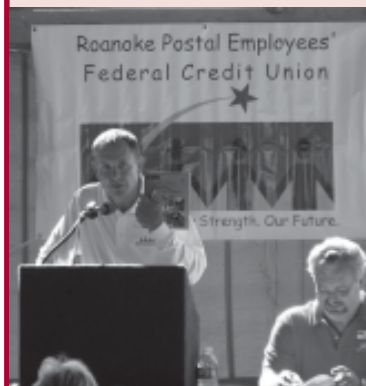
At Roanoke Postal, online bill payment is free as long as you pay one bill a month. You just enter your payees' information on the credit union web site, and then schedule bills to be paid automatically on certain days each month. Or you can go to the site and pay each bill whenever you wish. Either way, the amount transfers electronically from your checking account to the service providers. If the payee doesn't accept electronic payments, bill pay prints and sends a paper check on your behalf.

You should check your account balances and payment daily or at least several times a week, and make sure you use a computer with robust security. With those precautions, online bill payment is perfectly safe; plus, it's easier than you think.

Call Roanoke Postal today at 342-3429 (800-342-3429) with questions you have about our online services or visit www.rpefcu.org and try our bill pay demo!

A Great Annual Meeting!

These words were heard a lot throughout the day on Sunday, September 30 at our 57th Annual Meeting. More than 550 members gathered at Brae Loch for fun, food and fellowship. Members started off with a great meal while catching-up with friends!



CEO, Jeff Thompson and Board Chairman, Bob Hartsel.

During the meeting, members learned of the financial condition of the CU, scholarship winners were presented and past volunteers were honored. Elections were also held for three Board of Director positions and two Credit Committee positions. Pete Bain was re-elected to the Board of Directors as were Kevin Benson and Charlene Yeagley. Charles "Red" Carter and Bonnie Giles were re-elected by acclamation to the Credit Committee.

Children enjoyed many fun activities while adults made bids on charitable silent auction items and helped support VACUPAC by purchasing 50/50 tickets. \$620 was raised for Children's Miracle Network from the auction and \$398.50 was raised for VACUPAC.

Remember, the Annual Meeting is your chance to vote for directors, learn how your credit union faired over the past year and to voice your opinions. Please plan to join us on October 5, 2008 for the 58th Annual Meeting of RPEFCU.



Mary Watkins was the \$398.50 VACUPAC 50/50 winner!



Did You Know . . .

Roanoke Postal has Members in 47 of the 50 states of America?

Save Time and Money on Tax Preparation with Discounts from TurboTax Online and Jackson Hewitt!

We're pleased to offer our members discounts on two leading tax preparation services:

1. **Try TurboTax Online Free Edition or Save 10% on TurboTax Online Deluxe**
As a valued member, you can now discover just how easy tax prep can be—for FREE— with TurboTax® OnlineSM Free Edition. Or choose TurboTax Online Deluxe to maximize your deductions and save 10%. Either way, you'll get your refund in as little as 9 days when you e-file and choose direct deposit into your checking or savings account.

Member Savings: 10% Discount on TurboTax Federal Deluxe

2. **Relax and Let a Local Jackson Hewitt Tax Professional Handle Your Taxes:** Preparing your own taxes can be a complicated and confusing process. At Jackson Hewitt Tax Service, you'll find trained tax preparers who understand your income tax situation. The preparers will address your concerns and answer all of your tax questions with professional, friendly service. Visit the credit union website to print your \$25.00 discount coupon.

Member Savings: \$25.00 Discount on Jackson Hewitt Tax Prep Services

Whether you prefer to self-prepare online or work with a tax professional, we have a solution for you.

To get started today, visit the credit union website or call 1-800-613-4406



www.rpefcu.org



Holiday Closings

Monday, Jan. 21
Martin Luther King Day

Monday, Feb. 18
Presidents' Day

ICUD Winners

Congratulations go out to Rhonda Altice and Cheryl Ison! They are the winners of the two \$250 gift cards we gave away for International Credit Union Day in October.

Notice to Members

As of January 31, 2008 RPEFCU will no longer be accepting Verizon Utility payments.

Theme Park Tickets

Tickets for Busch Gardens, Water Country, Kings Dominion and Emerald Pointe will be available in April!

Sweets 4 Sweethearts Thursday, February 14

Please stop by the Main Office or our Lynchburg Office on Feb. 14th. We'll be part of a state-wide credit union bake sale that day with all proceeds going to our local Children's Mirclre Network hospitals.

Visit Our NEW Web Site

We have a new updated look and feel to our web site. Specifically designed for our members. Take a look and let us know what you think!

MyCU@Home

- View account balances & history
- Check up-to-the-minute account transactions
- See your direct deposits post
- Make loan payments
- Search for cleared checks
- Pay bills
- Transfer money and **MORE!**

All from the comfort of your home, any day, any time! Log on NOW!

www.rpefcu.org