

SUMMER SPENDING REVIEW

As August rolls in, it's a great time to take stock of your summer spending. With vacations, family activities, and seasonal events, summer can be a time of increased expenses. Now is the perfect moment to review how these expenditures have affected your budget and to make any necessary adjustments before the end of the year.



Assessing Summer Spending

Start by reviewing your spending habits over the past few months. Look at credit card statements, bank accounts, and receipts to get a clear picture of where your money has gone. Key areas to examine include:

- **Travel Costs:** Consider the expenses related to vacations or trips, including transportation, accommodation, dining, and activities.
- **Entertainment and Dining:** Evaluate how much you've spent on outings, dining out, or special events.
- **Summer Events:** Account for expenses related to family gatherings, festivals, or sports activities.

Adjusting Your Budget

After assessing your summer spending, compare it to your planned budget. If you've overspent in certain areas, it's important to make adjustments to get back on track. Here are some steps you can take:

- **Identify Areas for Cutbacks:** Determine where you can reduce discretionary spending to balance out any overspending from the summer. This might include dining out less frequently or postponing non-essential purchases.
- **Revisit Your Budget:** Update your budget to reflect any changes in your spending patterns. Allocate funds to areas where you may have fallen short and adjust future spending to stay within your means.
- **Increase Savings:** If your summer expenses have impacted your savings goals, consider increasing your savings contributions in the coming months to make up for any shortfalls.
- **Plan for Future Expenses:** Prepare for upcoming expenses by setting aside funds for fall and winter activities, such as holiday spending and seasonal bills. Planning ahead can help you avoid financial stress later.

*"Do not save what is left after spending;
instead spend what is left after saving"*

Warren Buffett

TIP OF THE MONTH:

FINDING REPUTABLE COUPONS & DISCOUNTS ONLINE

- 1. Use Reputable Coupon Websites:** Visit well-known coupon sites such as:
 - RetailMeNot: Offers a wide range of discount codes and printable coupons.
 - Honey: Provides coupon codes and automatically applies them at checkout.
 - Groupon: Features deals and discounts on various products and services.
 - Coupons.com: Offers printable and digital coupons for groceries and other items.
- 2. Check Store Websites:** Many retailers have their own coupon sections or special offers available directly on their websites. Look for sections labeled “Deals,” “Offers,” or “Promotions.”
- 3. Sign Up for Newsletters:** Subscribe to newsletters from your favorite retailers and brands. They often send exclusive discounts and promotional codes to subscribers.
- 4. Follow Social Media:** Follow brands and retailers on social media platforms like Facebook, Twitter, and Instagram. Many companies share special promotions and discount codes with their followers.
- 5. Use Browser Extensions:** Install browser extensions like Honey or Rakuten (formerly Ebates) that automatically find and apply coupon codes during checkout. These tools can also offer cashback opportunities.
- 6. Check Coupon Aggregator Sites:** Visit aggregator sites that compile coupons and discount codes from various sources. Examples include:
 - Slickdeals: Provides user-shared deals and coupons.
 - DealNews: Lists current deals and discounts from a range of retailers.
- 7. Search for Promo Codes:** Use search engines to look for promo codes specific to the store or product you’re interested in. Use keywords like “[store name] promo code” or “[product name] discount code.”
- 8. Look for Student or Military Discounts:** Many retailers offer special discounts for students or military personnel. Check for these offers on dedicated discount sites or through the retailer’s website.
- 9. Join Loyalty Programs:** Sign up for loyalty or rewards programs offered by retailers. Members often receive exclusive discounts and early access to sales.
- 10. Check Online Forums and Communities:** Explore online forums and communities like Reddit’s r/deals or r/coupons, where users share and discuss current deals and discount codes.

FINANCE 101: SIMPLIFYING THE COMPLEX

UNDERSTANDING TAXATION ON GLOBAL INVESTMENT GAINS

Investing in global mutual funds offers the potential for diversification and access to international markets. However, it also introduces complexities, particularly when it comes to taxation on gains. Here’s a brief guide to understanding how global mutual fund gains are taxed.

1. Taxation Basics

When you invest in global mutual funds, you’re essentially purchasing a share in a fund that holds a diversified portfolio of international securities. The taxation of gains from these investments can vary based on several factors, including your country of residence, the fund’s location, and the type of gains realized.

2. Capital Gains Tax

Capital gains are profits from the sale of investments. When you sell shares of a global mutual fund for more than you paid, you realize a capital gain. In most countries, these gains are subject to capital gains tax. The rate and rules for taxing capital gains depend on your local tax laws. For example:

- **Short-Term vs. Long-Term Gains:** Some jurisdictions differentiate between short-term and long-term capital gains. Short-term gains (from assets held for less than a year) might be taxed at a higher rate than long-term gains.
- **Tax Rates:** The rate at which capital gains are taxed can vary. It’s essential to check the specific rates applicable in your country.

3. Foreign Tax Credits

Global mutual funds often invest in foreign markets, which means the dividends and interest from these investments may be subject to foreign taxes. Many countries allow investors to claim a foreign tax credit to offset these taxes. This credit reduces your domestic tax liability by the amount of tax paid to foreign governments, preventing double taxation on the same income.

4. Reporting Requirements

Taxpayers must report their global mutual fund gains and foreign income on their tax returns. This often involves completing additional forms or schedules, such as Form 8938 in the U.S. for foreign financial assets or similar documentation in other countries. Proper reporting ensures compliance with tax regulations and helps you avoid penalties.

5. Seek Professional Advice

Given the complexity of international taxation, it’s often beneficial to consult with a tax professional who is knowledgeable about both domestic and international tax laws. They can provide tailored advice based on your specific investment situation and help ensure you comply with all tax obligations.