

West View Savings Bank

“Over 100 Years of Quality Banking”

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NEWSLETTER

January 2016

The Protecting Americans from Tax Hikes Act of 2015 Renews Popular Tax Breaks

A Message from our President, David J. Bursic

On December 18, 2015, the President signed into law The Protecting Americans from Tax Hikes Act of 2015 (PATH Act or Act) which extended, in some cases permanently, many popular tax breaks which had previously expired. The PATH Act also provides some new tax provisions. Listed below are some of the most popular provisions.

Individual Taxes State and Local Sales Tax Deduction

The option to take an itemized deduction for state and local sales tax in lieu of income taxes is now permanent.

Charitable Distributions from IRAs

The provision allowing an IRA owner who is age 70½ or older to exclude up to \$100,000 per year in distributions made directly from the IRA to certain public charities has been extended permanently.

American Opportunity Tax Credit (AOTC)

The AOTC for various tuition and related expenses has been made permanent and indexed for inflation. For 2015, the credit is capped at \$2,500 for individuals with Adjusted Gross Income (AGI) that does not exceed \$80,000 (\$160,000 for joint filers).

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Protect Your Personal Information

It's more important than ever in today's world to take precautions to protect your personal information and reduce your risk of identity theft. The tips below cover simple offline and online strategies to ensure your confidential information remains safe and secure. Don't let con artists and thieves take advantage of you—be educated and be prepared.

How to protect your personal information offline:

Lock Up Important Documents

Keep financial documents and records in a safe place at home, and lock your wallet or purse in a safe place at work. If you carry a purse or computer at a restaurant, keep it close to you. Keep financial information on your laptop only when necessary, and don't use an automatic login feature. The same goes for your phone; make sure it's password protected.

Limit What You Carry

Take only the identification and credit/debit cards you need when you go out. Leave your Social Security card at home unless you absolutely need it, and then immediately return it to a secure location. Carefully protect all user IDs, password information, etc. by never carrying this information in your wallet.

Ask Before Sharing Information

Before you share information at your workplace, your child's school or a doctor's office, feel free to ask why it is needed and how it will be safeguarded. Never give out personal information to anyone you don't know, either in person or on the phone, unless you initiated the contact.

Shred and Wipe

Shred receipts, credit offers and applications, insurance forms, physician statements, checks, bank statements, expired charge cards and similar documents once they're no longer needed. Also, destroy labels on prescription bottles before you throw them out. When you dispose of a computer or phone, erase the hard drive and memory first.

Secure Your Mailbox

If your mailbox doesn't have a lock, immediately remove mail when it arrives. If you order new checks or a new

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Child Tax Credit

The Act makes permanent certain provisions of the child tax credit for low- and moderate-income parents.

Teachers' Classroom Expense Deduction

The \$250 above-the-line deduction for eligible teachers' classroom expenses has been permanently extended. The deduction has also been indexed to inflation (beginning in 2016) and enhanced to include "professional development expenses" (beginning in 2016).

Mortgage Debt Exclusion

The Act excludes from income cancellation of mortgage debt on principal residences up to \$2 million (\$1 million if married filing separately) through the 2016 tax year.

Mortgage Insurance Premium Deduction

The treatment of qualified mortgage insurance premiums as interest for purposes of the mortgage interest deduction has been extended through 2016.

Qualified Tuition/Related Expenses Deduction

The Act extends through 2016 the above-the-line deduction for qualified tuition and fees for post-secondary education.

Earned Income Credit

The Act makes permanent the increase (\$5,000) in the phase-out amount for joint filers. The increased 45 percent credit percentage for taxpayers with three or more qualifying children is also now permanent.

Computer Equipment – Code Section 529 Plans

The Act permanently allows the purchase of computer equipment and technology to be considered a qualified expense when paid for with a distribution from a Code Section 529 plan.

Affordable Care Act "Cadillac" Plans

The excise tax on certain "high-value" health insurance plans is postponed for two years, from 2018 to 2020. The Act also allows the payment of this tax to be deductible against income tax.

Medical Device Excise Tax

The excise tax on qualified medical devices has been delayed for two years. This tax will not apply to sales during calendar years 2016 and 2017.

The information above does not include all of the provisions of the PATH Act. The Act includes many other, less relevant provisions that could impact you. If you would like to discuss any of the provision included in the PATH Act, or how the Act may affect you, contact a tax attorney or a certified public accountant.



Protect Your Personal Information

credit/debit card, don't have it mailed to your home unless you have a mailbox with a lock. If you're sending mail, drop it at a post office or locked outgoing mailbox. If you won't be in town for several days, request a vacation hold on your mail.

How to protect your personal information online:

Use Anti-Virus Software

Install anti-virus, anti-spyware software and a firewall on all computers. Set your preference to update these protections often. If you have a wireless network at home or work, make sure it's secured.

Don't Reuse Passwords

As tempting as it may be, don't reuse passwords. This will help minimize the effects of unauthorized access to your accounts. Also, use optional security questions whenever they're offered for an extra layer of protection.

Make Purchases on Trusted Sites

When deals seem too good to be true, they usually are. You can easily become a victim of identity theft when you make purchases on websites that aren't secure. Stick with trusted, well-known online retailers or smaller sites that use reputable payment processors.

Beware of Phishing and Spam

Don't open files, click on links or download programs sent by strangers as it could expose your system to a computer virus or spyware that captures your personal information. It's best to also not open emails from friends that contain only a link as these are often viruses. Beware of phishing schemes in which you think you're signing into your bank account, when it's a ploy to get your important information. Always sign in by going to your bank's website. Also, be leery of spam or junk email as these messages may contain viruses.

Take Heed of Public Computers

Make sure to never save private information on a public computer. Always log out completely from your accounts, and never save login information on these computers.

Order Your Credit Report Annually

Each of the major credit bureaus—Equifax, Experian, and TransUnion—provides consumers with a free copy of their credit report each year. Your credit report is your window into your identity security, and it's advised to check it once annually to ensure nothing is amiss.

This information is provided with the understanding that the bank is not engaged in rendering specific legal, accounting, or other professional services. If specific expert assistance is required, the services of a competent, professional person should be sought.

Provided as a public service by the Pennsylvania Association of Community Bankers.

5 Tips for First-time Homebuyers



You've decided to go for it. Buying a home can be thrilling and nerve-wracking at the same time, especially for first-time homebuyer. It's difficult to know exactly what to expect. The learning curve can be steep, but most of the issues can be resolved by doing a little financial homework at the outset.

Take these steps to help make the process go more smoothly.

Check your credit

The homebuyer's credit score is among the most important factors when it comes to qualifying for a loan these days. To get a sense of where your credit stands, go to AnnualCreditReport.com to get your free credit report from each of the three (3) credit bureaus. Scour the reports for mistakes, unpaid accounts or collection accounts. Just because you pay everything on time each month doesn't mean your credit is stellar, however. The amount of credit you're using relative to your available credit limit, or your credit utilization ratio, can sink a credit score. The lower the utilization rate, the higher the score will be. Ideally, first-time homebuyers would have a lot of credit available, with less than a third of it used. Repairing damaged credit takes time and money, if you owe more than lenders would prefer to see relative to your income. Begin the process at least six (6) months before shopping for a home.

Evaluate assets and liabilities

So you don't owe too much money and your payments are up to date. But how do you spend your money? Do you have piles of money left over every month, or are you on a shoestring budget? A first-time homebuyer should have a good idea of what is owed and what is coming in. Additionally, buyers should have an idea of how lenders will view their income, and that requires becoming familiar with the basics of mortgage lending. For instance, some professionals, such as the self-employed or straight commission salesperson, may have a more difficult time getting a loan these days than others. Gone are the days of the no-doc loan, thanks to the abuses of the past. A stated income loan was available to non-W-2 wage earners in previous years, but today's standards are much more stringent. The self-employed or independent contractor will need a solid two years' earnings history to show.

Organize Documents

When applying for mortgages, homebuyers must document their income and taxes. Typically, mortgage lenders will request two recent pay stubs, the previous two years' W-2s,

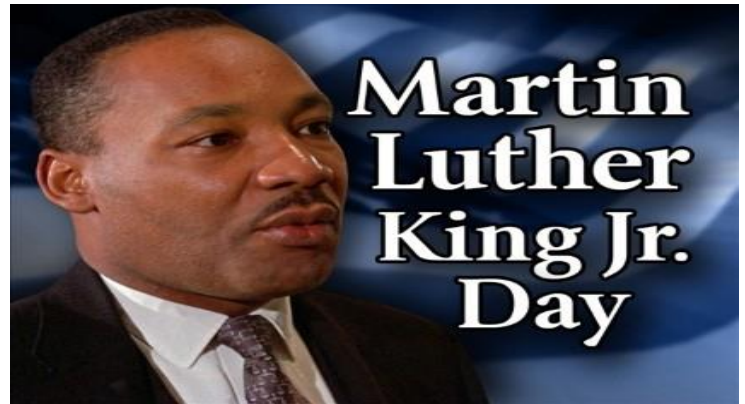
tax returns and the past two months of bank statements - every page, even blank ones. Buying a home can take a long time, but knowing what you need and where to find it can save time when you're ready.

Qualify yourself

By calculating the debt-to-income ratio and factoring in the down payment, buyers should have a good idea of what they can afford, both upfront and monthly, when it comes to their home. Though there's not a fixed debt-to-income ratio that lenders require, the old standard dictates that no more than 28 percent of your gross monthly income be devoted to housing costs. This percentage is called the front-end ratio. The back-end ratio shows what portion of income covers all monthly debt obligations. Lenders prefer the back-end ratio percent to be 36 percent or less, but some borrowers get approved with the back-end ratios of 45 percent or higher.

Figure out your down payment

It takes effort to scrape together the down payment. How much is available to you? Will you have funds remaining for closing costs, those new curtains, and any other emergencies.



West View Savings Bank will be closed on Monday, January 18, 2016 in honor of the Dr. Martin Luther King Jr. Day Observance

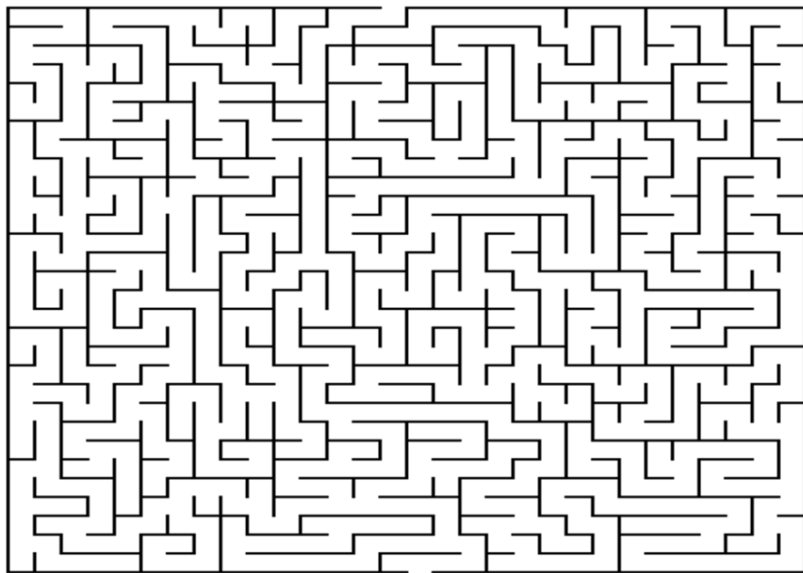


West View Office	412-931-2171
McCandless Office	412-364-1911
Cranberry Office	724-776-3480
Sherwood Oaks Office	724-776-4870
Franklin Park Office	724-935-7100
Lending Division	724-935-7400
Bellevue Office	412-761-5595

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KID'S KORNER



Crock-pot Mac N Cheese



Recipe serves 4-6 main dishes.

- 2 cups uncooked Elbow macaroni
- 4 tablespoons butter
- 2 1/2 cups grated sharp cheddar cheese
- 1/2 cup sour cream
- 1 (10 3/4 ounce) can condensed cheddar cheese soup
- 1/2 teaspoon salt
- 1 cup whole milk
- 1/2 teaspoon dry mustard
- Crock Pot Liner

Directions

Boil the macaroni in water till soft. Drain. In big bowl combine all ingredients except pasta. Pour a bit of the drained cooked pasta into crock-pot pour a bit of the cheese bowl mixture into crock-pot over the noodles. Keep alternating layers. Give a stir. Cook on low for 2 1/2 hours, stirring occasionally. Serve and enjoy!

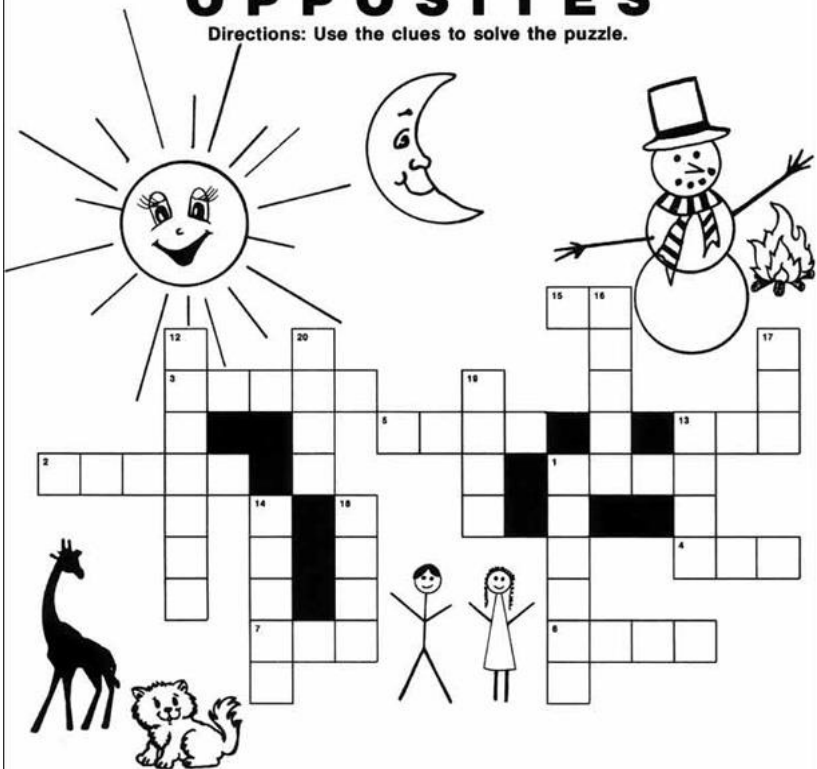
NEWSLETTER CONTRIBUTORS

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&
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OPPOSITES

Directions: Use the clues to solve the puzzle.



CLUES

- | | | | | | |
|---------|---------|----------|-------|------------|-----------|
| ACROSS: | 1) GO | 5) SHORT | DOWN: | 1) WINTER | 16) DAY |
| | 2) OPEN | 6) ENTER | | 12) INSIDE | 17) DRY |
| | 3) OVER | 7) COLD | | 13) CLOSE | 18) RIGHT |
| | 4) OLD | 13) IN | | 14) DARK | 19) FAST |
| | | 15) OFF | | | 20) FAR |