

# YOUR ONE SOURCE



[www.starone.org](http://www.starone.org) | 866.543.5202 | Winter 2013

*Online Banking and Electronic Services*

## Manage Your Star One Accounts Where You Want, When You Want

**A**t Star One Credit Union, we want to make your financial life easier by providing multiple ways for you to access your accounts. Here are some of our convenient electronic services.

**Online Banking.** Whether you're at home or across the globe, an early riser or a night owl, you have access to your Star One accounts wherever you can log on to the Internet. If you haven't used Online Banking, try the demo at [www.starone.org](http://www.starone.org) and see how easy and convenient Online Banking can be.

**Bill Pay.** If you're using Online Banking, take advantage of bill-paying convenience. Pay almost anyone online with Star One's Bill Pay service. No more checks to write, envelopes to seal and stamps to affix. Bill Pay is free to Star One members who use direct deposit and receive online statements.

**Mobile Banking.** Access your Star One accounts using your smartphone! You can check balances, view history, make transfers and payments, and more. To enroll in Mobile Banking, just download our free app from your respective App Store. You can register directly from within the interface. Or, you can log into Online Banking, click the "Mobile Banking" tab and enroll from there.

**Mobile Deposit.** You can use our Mobile Banking App to deposit a check anywhere, anytime, seamlessly and in real time. Mobile Deposit lets you use your smartphone to take a photo of the front and back of a check to make a real-time deposit or loan payment up to a maximum daily limit of \$25,000.

**ATMs.** Enjoy free access to Star One ATMs, and surcharge-free access to more than 30,000 ATMs across the country and around the world through the CO-OP® Network. To find an ATM near you, visit [www.starone.org](http://www.starone.org) and select "Account Access" from the main menu and then "ATM and Shared Branch Locators."

### Your Accounts at Your Fingertips

Be sure to take advantage of all the electronic conveniences available at your Credit Union. If you have questions about how to sign up, please contact a Star One Representative at **(408) 543-5202** or toll-free at **(866) 543-5202**.

### New Security Measures

Star One takes its security procedures seriously, and now we're rolling out a new, more robust security procedure for Online Banking. New guidelines provided by the U.S. government, coupled with our new technology platform, will provide increased security, flexibility and accessibility.

Early in 2013, when you log into Online Banking, you will be prompted to update your password to adhere to the new criteria. You will also be asked for two phone numbers and/or an email address for device verification.

Here's the new, stronger future password criteria:

- Must be from 6 to 32 characters and have no spaces between characters
- Must contain characters from at least two of the following three categories:
  - Letters (case-sensitive)
  - Numbers
  - Special characters (% , ! , etc.)
- Password cannot include your Login ID



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# Make IRAs Part of Your Savings Strategy

It's never too late to work toward a financially comfortable retirement. An individual retirement account (IRA) from Star One Credit Union offers tax advantages that help you rev up your retirement savings.

You can choose from two different kinds of IRAs, each of which offers its own set of tax advantages:

**Traditional IRAs** offer tax-deferred compounding, so you won't owe income taxes on the account earnings until you begin withdrawals in retirement.\* In addition, contributions to a Traditional IRA may be tax-deductible depending on whether you or your spouse (if applicable) participate in a retirement plan at work and, if you do, your income. See your tax advisor about deductibility in your situation. If eligible, you can take a tax deduction for the 2012 tax year for contributions made by April 15, 2013 (see chart below).

**Roth IRAs** also offer tax-deferred compounding, but contributions are never tax-deductible. However, distributions from a Roth IRA are potentially tax-free.\*\* You must be at least age 59½ and have held the account at least five years to make tax-free withdrawals.

## Changing Jobs and Rollovers

Maybe you are considering changing jobs. One decision, if you are vested in an employer-sponsored retirement plan, is to cash out your balance from your employer's plan. Your first thought might be to take the money and run. But just because you can take it out, doesn't mean you should. Taking a distribution not only may mean taxes and penalties, but also the assets are not available to earn interest and will lose the compounding effect.

You can preserve the tax-favored status of your employer-sponsored retirement plan savings by rolling over the money to an IRA. The best way to roll retirement plan dollars to an IRA is directly. By rolling over your retirement savings from an employer-sponsored plan directly to an IRA, you will avoid mandatory 20% income tax withholding. Contact your employer plan administrator or IRA Services at Star One for instructions on how to move your retirement funds.

## Consider Your Options

You have the option to roll over employer-sponsored retirement plan assets to a Roth IRA instead of a Traditional IRA. With this transaction, you would be converting pre-tax retirement savings into after-tax savings. This transaction is not a tax-free transaction; you would have to include the taxable amount of your plan rollover in your income for the year. However, once the money is in the Roth IRA, you will never be taxed on it again. And if you take a qualified distribution from the Roth IRA, any earnings that have accrued can be taken out tax-free. If you have stopped working and have less earned income for the year, you will likely be in a lower tax bracket, and rolling over pre-tax retirement plan assets to a Roth IRA may be a good move in such a year. Be sure to seek financial or tax advice before you roll over assets into a Roth IRA to ensure you have considered your best options.

## Time for Review

Whether it's been a long time since you opened your IRA and named a beneficiary or you are rolling over retirement assets, it's time to review your beneficiary designation. Generally speaking, it's a good idea to review beneficiaries every year as part of an overall financial assessment. As your family changes with marriage, divorce, remarriage, retirement, births, adoption and deaths, your wishes regarding your beneficiary may change also. You should also check to see that contact information that is on file is correct – don't just assume that it is. If your beneficiary designations aren't up to date, there are default provisions that will govern who receives the proceeds upon your death, and that may mean your accounts going to someone to whom you had not intended.

## Contact Us

To open or contribute to an IRA, or review or change beneficiary designations, visit [www.starone.org](http://www.starone.org) and select "IRAs & ESAs" from the "Accounts" main menu. If you have questions, please call our IRA Specialists at **(408) 543-5202** or **(866) 543-5202**.

\* Taxes will be due at ordinary income tax rates upon withdrawal from a Traditional IRA. Premature withdrawals (generally, those made before age 59½) may be subject to a 10% tax penalty, too. Required minimum distributions must begin after age 70½. Otherwise a penalty of 50% of the amount that should have been withdrawn, but wasn't, may be imposed.

\*\* Premature withdrawals of earnings are subject to ordinary income tax and a 10% tax penalty.

Star One Credit Union does not give tax advice. Consult your tax advisor for information.



## IRA Contribution Limits and Deadlines

	2013	2012
IRA contribution limit	\$5,500*	\$5,000*
IRA catch-up contributions	\$1,000	\$1,000
Deadline for contributions	April 15, 2014	April 15, 2013

\* Or your taxable compensation for the year, whichever is less. Non-wage-earning spouses of wage earners may also contribute to an IRA. This limit is indexed to inflation for future years.

# Free Tax Help Is Available!

Low- to moderate-income earners (\$51,000 and below) can get free tax preparation help at Star One through the Internal Revenue Service (IRS) Voluntary Income Tax Assistance (VITA) program.

Community volunteers, professionally trained and certified by the IRS, will provide free tax assistance for taxpayers who cannot afford professional help. These volunteers can help you determine whether you qualify for special credits and help you get the refund you are entitled to.

The VITA program also encourages you to file your tax return electronically. If you have a refund coming, filing electronically and using direct deposit for your refund is the fastest way to get your money.

Star One will offer VITA help at three sites on the days and times indicated:

- 3903 El Camino Real, Palo Alto Wednesdays, 4 – 7 p.m., February 6 through April 10
- 1090 Blossom Hill Road, San Jose Wednesdays, 4 – 7 p.m., February 6 through April 10
- 3136 Stevens Creek Blvd., San Jose Thursdays, 4 – 7 p.m., February 7 through April 11

For additional information and a list of required items, visit [www.starone.org](http://www.starone.org) and click on the VITA Program link. To locate other VITA sites, call the IRS at **(800) 906-9887**.

## File Electronically for Faster Refunds

For Internal Revenue Service and Franchise Tax Board tax filers requesting refunds or payments electronically, please provide the Star One routing number (321177968) and the 14-digit account number. The account number can be found on the bottom of your personal checks, in the "Account Details" section on the Online Banking Checking Account page and in Mobile Banking. You can also call a Star One Representative at **(408) 543-5202** or **(866) 543-5202** for the account number to be used on your tax return form.



Note: Number highlighted in blue is the actual Star One Credit Union Routing Number. The 14-digit Account Number highlighted in yellow is for example purposes only, and is not the actual sequence found on your personal checks.

## Free Workshops on Credit Reports, IRAs and Credit Cards

Star One is pleased to offer free workshops to members and non-members who would like to learn more about managing their credit and IRAs and using credit cards wisely. Workshops are offered at two locations. Please register at least one day before the workshop by calling **(408) 543-5127**. Leave your name, number of guests attending, daytime phone number and session (location and date) you plan to attend, or visit [www.starone.org](http://www.starone.org) for online registration.

### Solving the Mystery of Credit Reporting

**Date:** February 27, 2013  
**Time:** 5:30 – 7 p.m.  
**Location:** Star One Administration Building  
1306 Bordeaux Drive, Sunnyvale  
**RSVP by:** February 26

**Date:** February 28, 2013  
**Time:** 6 – 7:30 p.m.  
**Location:** Blossom Hill Branch  
1090 Blossom Hill Road, San Jose  
**RSVP by:** February 27

### Why Star One IRAs?

**Date:** March 6, 2013  
**Time:** 5:30 – 7 p.m.  
**Location:** Star One Administration Building  
1306 Bordeaux Drive, Sunnyvale  
**RSVP by:** March 5

### Using Credit Cards Wisely

**Date:** March 20, 2013  
**Time:** 5:30 – 7 p.m.  
**Location:** Star One Administration Building  
1306 Bordeaux Drive, Sunnyvale  
**RSVP by:** March 19

**Date:** March 21, 2013  
**Time:** 6 – 7:30 p.m.  
**Location:** Blossom Hill Branch  
1090 Blossom Hill Road, San Jose  
**RSVP by:** March 20





Consumer Corner

## Avoid Tax Scams

With tax filing season close at hand, now is the time to begin organizing your records in preparation.

Unfortunately, filing time can also be an opportunity for criminals to take advantage of honest taxpayers. Here are a few of the most popular scams and how to avoid them.

### Identity Theft

According to the Federal Trade Commission, in 2011 there were more than 180,000 identity theft complaints filed, with almost 25% relating to tax- or wage-related fraud. During tax season, thieves will file returns using fraudulent information. Taxpayers who then go to file their return are notified that a return has already been filed.

Some top ways thieves steal identity include:

- Snatching your wallet or purse.
- Posing as someone who needs information about you through a phone call or email.
- Looking through your trash for personal information.
- Accessing information you provide to an unsecured website.

If you suspect identity theft, contact the IRS Identity Protection Specialized Unit. Additional information can be found at [www.irs.gov/identitytheft](http://www.irs.gov/identitytheft).

### Phishing

Phishing is when an unsolicited email or fake website lures victims into entering important personal or financial information.

The latest phishing scam comes in the form of an email intended to take advantage of those who filed electronically. The email includes a subject

line that reads “Your federal return bank transfer failed,” or something similar. The body of the email often contains a fake account number and an attachment that claims to explain the failed bank transfer, but is actually a virus. This particular scam is fairly crafty and will often send a second email with the subject line “SECOND NOTICE: Your federal return bank transfer failed.”

*Important:* The IRS will never initiate contact requesting personal or financial information through an email. Do not respond to emails claiming to come from the IRS regarding your tax return or refund.

### Return Preparer Fraud

Many of us will rely on a tax preparer this year, but ultimately we can be held legally responsible for what is on our tax documents. That is why it is important that your tax preparer is honest and reliable.

A few signs that your tax preparer may not be trustworthy include:

- Failing to sign the return or place their Preparer Tax Identification Number on it.
- Not providing you a copy of your tax return.
- Promising an abnormally large tax refund.
- Charging a percentage of the refund as preparation fee.
- Including forms that you have never filed before.
- Encouraging you to falsify information on your return such as income or expenses.

If you are looking for a new tax preparer, asking trusted family or friends who they use can be a good place to start. You can also check out local tax preparers through the Better Business Bureau at [www.bbb.org](http://www.bbb.org).

### Star One Phone Service

(408) 543-5202 or  
(866) 543-5202 toll free  
Fax: (408) 543-5203

Star One Representatives are available Mon. – Fri., 7 a.m. – 11 p.m. and on weekends and most holidays from 9 a.m. – 5 p.m. For your convenience, we use a Shared Branch call center to handle after-hours calls. They can assist you with general questions and basic transactions.

### Branch Hours:

Mon., Tues. & Thur. 9 a.m. – 5 p.m.  
Wed. 10 a.m. – 5 p.m.  
Fri. 9 a.m. – 6 p.m.

### Cupertino

De Anza Branch  
10991 N. De Anza Blvd.  
De Anza Blvd. & Homestead Rd.

### Palo Alto

El Camino Branch  
3903 El Camino Real  
El Camino Real & Ventura Ave.

### San Jose

Blossom Hill Branch  
1090 Blossom Hill Rd.  
Blossom Hill Rd. & Almaden Expwy.

### San Jose

Stevens Creek Branch  
3136 Stevens Creek Blvd.  
Stevens Creek & S. Winchester

### Sunnyvale

Enterprise Branch  
1080 Enterprise Way, #150  
Enterprise Way & 11<sup>th</sup> Ave.

### Website

[www.starone.org](http://www.starone.org)

### Mailing Address

P.O. Box 3643  
Sunnyvale, CA 94088

### Email

[service@starone.org](mailto:service@starone.org)

Your savings are federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government. National Credit Union Administration, a U.S. Government Agency.

We do business in accordance with the Federal Fair Housing Law and the Equal Credit Opportunity Act.

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## Holiday Schedule

Star One branches will be closed to observe:

**Martin Luther King Jr. Day** – January 21 (Monday)  
**Presidents Day** – February 18 (Monday)

