

10 Money Information

United States Currency

American coins come in various sizes and metals:



A penny (1¢, \$.01) is a copper-colored coin.



A nickel (5¢, \$.05) is a silver-colored coin larger than the penny.



A dime (10¢, \$.10) is a silver-colored coin; it is the smallest U.S. coin.



A quarter (25¢, \$.25) is a silver-colored coin; it is larger than the nickel.



A new gold-colored dollar (\$1.00) coin was issued early in the year 2000.

A few silver-colored 50¢ coins (half-dollars) and dollar coins are in circulation. Paper money is all the same size and color. These bills come in \$1, \$2, \$5, \$10, \$20, \$50, and \$100 denominations.

Banks (See also "IU Credit Union")

Banks are used to keep money that is not needed for day-to-day use; it is wise to keep extra money in the bank.

Most Bloomington banks do not exchange foreign currency for American dollars. Those that do may require you to have an account with them. Even then, exchanging currency could take up to several weeks. The closest location able to exchange currency quickly is the Travelex kiosk at the Indianapolis airport. For hours, call 1-317-487-7243.

Many of the banks in Bloomington have several locations. When you have an account with a bank, you may use any of its locations. The bank you choose should be FDIC insured.

Phone banks to learn the hours they are open for business. Some banks have drive-up window service; these usually open earlier and close later than normal bank hours. Hours for bank branches sometimes vary from those of the main offices.

Bloomfield State Bank, 48 N. Washington St., Bloomfield
Bank branches in Bloomington:
2111 Liberty Dr.
1301 N. Walnut St.

Chase, 100 S. College Ave., phone: 331-6229

Bank branches:
Eastland, 2642 E. Third St.
Walnut Station, 2600 S. Walnut St.
Whitehall, 3255 W. Third St.

Charter One, located in Kroger supermarkets at Jackson Square and on College Mall Road, phone 339-6658 or 334-0476.

Farmers and Mechanics Federal Savings and Loan Association, 3535 W. Third St., phone: 332-4473

Fifth Third Bank, 200 S. Washington St., phone: 339-1131
Bank branches:
3200 E. Third St.
3415 W. Third St.

Irwin Union Bank, 300 W. Sixth St., phone: 330-1280 or 1-888-879-5900

Keybank, 418 S. College Mall Rd., phone: 331-0600

Monroe County Bank, 210 E. Kirkwood Ave., phone: 336-0201

Bank branches:
Bell Trace, 800 Bell Trace Circle
Ellettsville, 4616 W. Richland Plaza
Highland Village, 4191 W. Third St.
Kinser Crossing, 1825 Kinser Pk.
Kirkwood, 306 E. Kirkwood Ave.
Mall Road, 2801 Buick Cadillac Blvd.
Walnut Park, 2490 S. Walnut St.

Old National, 121 E. Kirkwood Ave., phone: 332-9465

Bank branches:
College Mall, 2718 E. Third St.
South, 2421 S. Walnut St.
Whitehall Plaza, W. Third St. at State Road 37

Peoples State Bank, 202 W. Seventeenth St., phone: 332-9228

Bank branches:
525 Clarizz Blvd.
200 E. Kirkwood Ave.
301 E. Winslow Rd.
3400 W. Third St.

Regions Bank, Fountain Square, 116 S. Walnut St., phone: 323-3300

Bank branches:
College Mall Road, 965 S. College Mall Rd.
Whitehall, 476 S. Liberty Dr.
Walnut Park, 2488 S. Walnut St.

United Commerce Bank, 211 S. College Ave., phone: 336-2265

Bank branch:
1285 S. College Mall Rd.

Most banks have a night-deposit slot located on the side of the building; deposit slips and money should be carefully sealed in an appropriate envelope. The automated teller machine (ATM), a service available at most banks, provides 24-hour banking, including deposits, cash withdrawals, transfers, and even paying utility bills. It is best to use ATMs in the daytime. There may be a charge for ATM use. A few banks (and the IU Credit Union) have ATMs on the IU campus and throughout the city. All banks are closed on Sunday and most holidays.

Checking Accounts You can put extra money in a checking account in the bank where it will be safe and insured. The bank generally charges a small monthly fee for this service. If you need cash, you write a check made out to "cash" in the amount you need and present it at your bank or one of its branch banks. (Banks charge a small fee, or in some cases refuse to cash a check, if the check is drawn on another Bloomington bank or a bank in another city.) This check, which has your signature, orders the bank to give you the amount indicated; the bank takes the money from your checking account. Some stores permit you to make purchases payable by check if you show proper identification.

Do not "overdraw" or write checks for more money than you have in the account. There is a fee penalty for this, and you may lose your check-cashing privilege. It is a good idea to keep accurate records of the checks you have written in the space provided in your checkbook. Once a month the bank mails you a statement regarding your current balance. Canceled checks are sometimes included. Be sure to examine this statement to be certain that you and the bank agree how much money you have in your account. If you are having trouble "balancing" your checkbook, ask your bank for help.

Interest Checking Accounts Bloomington banks normally pay interest on money that is placed in checking accounts, if you request this service. However, each bank has a different minimum amount of money that has to be maintained in this account. The minimum amounts range from \$500 to \$2,500. If you do not keep this amount of money in your account, then you are charged a penalty. These accounts are very popular and financially sound for people who can maintain the minimum balance.

Indiana University Check Cashing Service Students with IU ID cards may cash personal checks for up to \$50 a day in the Indiana Memorial Union at the IU Bookstore. There is a service charge of 25¢. The Office of the Bursar, Franklin

Hall 011 (open 9 a.m.–4 p.m., Monday–Friday), cashes university paychecks. That office takes personal checks only for payment of fees. If your fees, maintenance, or both are provided by your home country, the sponsor's checks may be cashed at the bursar's office only if part of the money is used toward payment of university fees.

Personal Identification Card The Monroe County License Bureau, 1612 S. Liberty Drive., issues a personal identification card that is useful when cashing checks in stores in Bloomington. See the section entitled "Cars" for branch hours. There is a small fee, and you need to bring your birth certificate or passport. Phone: 336-3018.

Savings Accounts Money that you do not wish to withdraw by check may be deposited in a savings account. This account will earn interest for you. The rate of interest varies, but the higher the rate, the more money you earn. If you wish to withdraw this money, you do so personally rather than by check.

Certificates of Deposit Money that you wish to save may be deposited in a certificate of deposit (CD). The minimum deposits range from \$500 to \$1,000. You can invest in your certificate for as little as 30 days or for as long as 10 years. A certificate of deposit earns interest for you. Interest rates vary, based on the length of time you select. Interest is compounded daily. You can get the most value when you let your interest add up until maturity instead of regularly withdrawing it. For most CDs you can choose to have the interest paid to you either monthly, quarterly, semiannually, annually, or at maturity. However, if you withdraw your deposit before the maturity date, you must pay a penalty.

Safety Deposit Boxes These are fireproof and guarded boxes in banks for storing valuable items such as jewelry or important documents. The charge for a safety deposit box varies among banks and with the IU Credit Union from \$8 to \$50 annually for various box sizes. You will get a key that, when used with another key kept under guard in the bank, opens your box. Access to the box is available during banking hours.

Traveler's Checks Banks sell traveler's checks for a small fee. These checks provide a safe way to carry money in the United States or abroad. When the checks are purchased, their numbers are recorded by the bank and by the purchaser. In case of loss, any bank handling traveler's checks can replace them if you present a record of their series numbers. Auto clubs also provide traveler's checks to their members.

International Transfer of Money Local banks are pleased to negotiate the transfer of funds from banks in other countries. Some time is required to make this transfer, and arrangements should be made before the need for funds arises. You may request this service from any local bank, but it is usually more convenient to have the bank with which you have your checking account provide this service. There is usually a small service charge that varies with individual bank policy.

Wiring Money Money can be sent by wire by contacting a local Western Union office at all Kroger and Marsh supermarkets or at K-Mart, 3175 W. Third St.

Borrowing Money

If you have problems with, or questions about, money matters, see your international student advisor. Staff at banks, savings and loan associations, the IU Credit Union, and the IU Office of Student Financial Assistance can provide advice and information concerning savings, loans, and money management.

IU Credit Union

The IU Credit Union provides a wide range of financial services to its members. Membership is open to all employees of Indiana University, whether they work part time or full time, as well as to all IU students and their families and members of the IU Alumni Association. It is also open to people who work for Bloomington Hospital, Monroe County, and the City of Bloomington, as well as the local and surrounding school corporations and a number of other smaller employers. Family members of these employees may also join. You must make a small deposit and complete a membership card to become a member.

Among the services provided are “share draft” accounts (which work like checking accounts), savings accounts, Money Market accounts, certificates of deposit, traveler’s checks, wire transfers, and money orders. All transactions can be handled by mail, and most can even be done by telephone or on the Internet. You also have access to your money through a MoneyMover automatic teller machine, which provides 24-hour banking.

The Credit Union is owned by its members and serves as a source of information concerning your financial affairs. The Credit Union staff can provide advice concerning savings, loans, and money management. The loan department provides competitive interest rates on a variety of types of loans, including Guaranteed Student Loans, loans to purchase new and used cars, home mortgages, computer loans, and other types of personal loans. The IU Credit Union also offers Visa credit cards with no annual fee and can provide safety deposit boxes for a small fee.

The Credit Union has several locations, including three on campus. The main office is at Winslow Rd. and S. Walnut St. There are other branches on the lobby floor of the Indiana Memorial Union; the Eastland Branch at 410 S. Woodcrest Dr.; at Whitehall Plaza, 3389 W. Third St., and at 17th and Dunn St.

Savings and Loan Associations

Savings and loan associations differ from banks in that their main business is to keep savings and to loan money. They now provide many of the same services that banks offer. Before you borrow money, be certain you know the rate of interest, and never sign anything without fully understanding what you are signing. Make sure the savings and loan is fully insured before depositing money there.

Money Orders

You can buy money orders at banks, post offices, the IU Credit Union, and some gas stations, groceries, and drug stores. A money order is an order to another bank in any place to pay a certain sum (the amount you paid for the order) to the person whose name you have put on the order. This is also a safe way to send money through the mail if you don’t have a checking account. A fee is charged for this service. A number of banks handle international money orders, as well as bank transfers.

Credit Cards

People can use credit cards for purchases at times when they prefer not to use cash—when they are on a trip, for example. The holder’s name and a number are stamped on the card. Credit cards are issued by various stores, gasoline companies, dining associations, banks, and credit unions. Obtain a form from one of these companies or banks to apply for a credit card. Your application must show adequate guaranteed income in an amount sufficient to cover credit purchases, plus other personal information assuring the creditor of your trustworthiness.

When a purchase is made, the cost and the information on the card are recorded so that a monthly bill can be sent to the holder. If you pay only a part of your bill, you must pay interest on the rest of it, usually at a very high rate. You must also pay an annual fee for most credit cards. All bills must be paid before leaving the United States. Lost cards should be reported immediately. It may be advisable for students from abroad to use cash rather than credit cards.

Debit Cards

Similar in appearance to credit cards, the major difference is the funds used are drawn directly from the individual’s checking account rather than through the extension of credit.

Installment Buying

Some items, such as televisions and cars, may cost more money than you have available. Some stores offer an installment payment plan where you pay the seller a certain amount each month until the full cost of the item, plus interest, is paid. A contract is required for installment buying. This contract states the terms, the interest rate, and the amount of the down payment. Do not sign a contract to purchase anything unless you fully understand your obligations. You are legally bound to fulfill the terms of the contract. The IU Credit Union is happy to advise anyone with questions about installment buying.

Household and Personal Property Insurance

If you have personal items here of considerable monetary value (jewelry, clothing, furniture, television sets, computers, stereo equipment, video cameras, etc.), you may want to buy insurance to cover loss of these items by theft, fire, or other causes. A listing of insurance companies and their agents can be found in the Yellow Pages of the telephone directory, and most insurance agents offer advice and an estimate of the cost of insurance to fit your personal needs. There is no charge for this information.

Automobile and health insurance are discussed in other sections of this guide.

Taxes

Federal Income Tax All income is taxable unless specifically excluded. Some employees have this tax withheld from their monthly paycheck. Nevertheless, you must fill out a tax form, which is available at the U.S. Internal Revenue Service, 2017 S. Liberty Dr. Forms must be filled out and taxes paid between January 1 and April 15 on earnings of the previous year. However, noncitizens should go early in January to pick up forms and discuss individual tax status with employees in the Internal Revenue Office. You may also direct questions concerning your individual tax problems to the Indianapolis office of the Internal Revenue Service. This may be done by telephoning a toll-free number, 1-800-829-1040. There is no charge for this assistance, and you are encouraged to make use of this service.

Because of various treaties, deductions, types of employment, residence statuses, sources of income, and visa statuses, taxes are different for each person. Do not rely on the advice of a friend. Keep all records relating to taxes. No more than 30 days before leaving the United States, you must present these records to the Internal Revenue Service in order to get an exit permit; you must have this document in order to leave the United States.

Social Security Tax (FICA) This is a tax collected for the federal government by employers from their employees. These funds are used for monthly payments by the government to eligible retired employees (usually age 65 or older) in the United States.

Your nonimmigrant status determines whether you are subject to withholding of this tax. F-1 students and J-1 students and scholars are exempt from withholding of Social Security taxes. Those with other nonimmigrant status are subject to the withholding.

The Social Security Number is a nine-digit number that is often confused with the Indiana University Student ID Number. Both numbers have nine digits and are written in the same format (i.e., 999-99-9999). Any nonimmigrant who expects to be employed either on campus or off campus must apply for a Social Security Number. Other nonimmigrants may apply for a number, but it is not required.

Nonimmigrants who apply for a Social Security Number will receive a card marked with the legend "Not Valid For Employment." Each card is coded by the Social Security Administration as being issued to a nonimmigrant. This card is acceptable for students who are authorized to work on campus, but it is not valid for off-campus work.

What if you do have permission granted by the Office of International Services to accept employment that is not on campus or that has been approved by the Immigration and Naturalization Service (INS)? In that case, it is important to take the usual documentation with you to the Social Security Administration and request that a new card be issued without this "Not Valid for Employment" code. If you have been employed and your Social Security Number has not been cleared for off-campus employment, you may have some difficulty with the INS or the Internal Revenue Service in the future.

If you have any questions concerning the use and purpose of Social Security Numbers, please make an appointment to see an advisor in the Office of International Services. This office can assist you with when and where to apply for a Social Security Number and what documentation is needed.

Note: The Social Security Number assigned to a nonimmigrant is NOT EMPLOYMENT AUTHORIZATION. Just because you have a Social Security card does not mean that you can be employed. There are many kinds of employment authorizations, and all forms of permission must be applied for through the Office of International Services. Feel free to contact the office at 855-9086.

State Income Tax The state of Indiana charges a 3.4 percent tax that is withheld from your paycheck. If you have any questions, you may go to the Indiana Department of Revenue, 410 Landmark Ave., or call 339-1119.

Sales Tax There is a sales tax in Indiana on most items sold. Currently, the rate is 6 percent of the cost. For example, if an item costs \$1, you pay the seller \$1.06, and 6¢ goes to the state government. There is no sales tax on most food items sold in a grocery store. Most services, such as visits to a doctor, are also tax-free.

Property Taxes If you own any real estate, you are subject to a local property tax based on the value of the land and any existing dwellings or buildings. This tax rate is determined by the property's assessed value. It is divided into two payments per year, due in May and November.

Remember, when dealing with money, banking, or taxes, always be certain you understand what you are doing. People are happy to answer your questions. It is a help to both you and them if you fully understand money transactions.