

Debt Reduction Tip Sheet

Begin with prayer. Ask God for a new stewardship lifestyle.

Get a copy of your credit report.

List all of your debts. Begin with highest interest rate debt.

Focus on eliminating high interest debt first.

Pay off small bills to achieve a sense of accomplishment.

Credit cards – destroy them; put them in a safe or freezer.

When you settle a debt completely, use the money to increase payments on remaining debt.

Eliminate expensive snacks you buy at work or school. Put the money you save in a coin box for the Sunday offering.

Eliminate tobacco, alcohol, wine, beer, soft drink, unhealthy food, etc. expenses. Put the savings in a blessing box and thank God for your improved health.

Fast from spending for a day or a week maybe a month!!

Create a budget/spending plan.

Save three to nine months of salary in highly liquid accounts.

Clip and use coupons when shopping.

Reward yourself in ways that do not require spending. Take a walk. Work in the garden. Play a game with the kids. Read a fund book. Work puzzles. Listen to some good music. Spend time with someone you love.

Use buying clubs to reduce costs.

Buy off season.

Shift non-productive assets into income producing.

Review insurance coverage. Reduce if too much. Add more in areas of exposure.

Use tax deferred accounts: IRAs, healthcare savings, annuities for retirement, etc.

Adjust withholdings to minimize taxes payable and tax refunds.

Self-employed? Pay monthly/quarterly taxes.

When unexpected events occur (death, catastrophic illness, divorce, disability, job termination, dependent elderly parents, and custodial care for grandchildren) get help with financial planning.

Don't use payday loan or check cashing companies!!!

Stay focused on your goals.

Keep God first in your life.