

5 Tips to becoming Debt Free: Stop Debt Collectors

Contributed by Amy
Thursday, 25 January 2007

Are you hiding from your debt collectors? Does it pain you to try to pay your bills? Are you robbing Peter to pay Paul? Have no fear... help is out there.

According to a national study, the average American owes more than \$8,000 just in credit card debt and 43% of Americans spend more than they make per year. With those kinds of averages, it is no wonder that we are drowning in debt. So what is the answer? How do you ever get debt free?

Here are 5 tips to help you become debt free and stop those debt collectors:

- Manage your debt. Know what debt you have and how much money you are paying out monthly and how much interest it is costing you. Ideally, you need to get rid of the debts with the highest amount of interest costs first.
- Create a budget. Know how much you have coming in and how much you have going out on a monthly basis. Write down every penny you spend. Then decide what you can cut out. Even cutting one day of eating out per week could save you hundreds.
- Be prepared for unexpected debts. Have a savings plan for at least 6 months worth of bills. That way, if you have an emergency or get hurt and are out of work, you have money to pay your bills. The last thing you want to do is build up the debt once it's paid off.
- Make more money. I know what you're thinking. No, you don't have to go get another job or even leave your comfortable job to try to get more money. There are ways of making money online in your spare time. For more information, check out www.unofficialrichjerk.com.
Don't pay off your mortgage quickly. Some debt is good. A mortgage is a good tax write off.

You can get out of debt quickly. The key is to stop avoiding your debt and start taking action today. Use these tips as a step by step guide to get out of debt today!

Author Bio:

Amy Rodgers is an independent writer. She writes to help people and for the pure joy of writing. Read more of her work at Amys Articles.