



Credit Card Debt & The Holidays

by Cynthia Fick

It's December 2010 and U.S. consumers have accumulated almost \$10 million in credit card debt this year. If you have a zero balance on your credit cards, consider yourself an exemplar of financial stewardship and thank your lucky stars. If you have balances, whether it's debt incurred before or during this recession, prepare to feel internal and external pressure to spend this holiday season in ways that don't support your financial well-being. Here are some ideas to help you muffle the siren call of holiday consumerism.

1. **Don't add to your debt.** Ask yourself what you're comfortable spending during the holidays. Write it down and stick to it. Don't increase your financial and emotional burdens by giving in to spending more than you can afford. Not a good formula for enjoying the season or starting out a new year.
2. **Ask for a lower rate on your credit card.** Call your credit card companies and ask for a lower rate if you're paying more than 15% a month. They want to keep their current customers.
3. **Think outside the (gift) box.** Invent new traditions, even if temporary.
 - o Draw names or only purchase gifts for children under a certain age in your gift-giving circle.
 - o Turn in unused gift cards for cash! Visit www.cardpool.com.

- o Raise cash for holiday shopping by recycling old electronic equipment and get paid (working or not). Visit www.gazelle.com.
- o Look for inexpensive handcrafts at school, church, and neighborhood holiday fairs.
- o Make gifts – no matter how simple, handmade from the heart always means so much.
- o Give your time or skills – write a creative description of your pledge and wrap it up in a pretty box. It will be treasured.

My most important advice? Think twice before making any credit card purchase that creates or adds to a financial stress.

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