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Those Credit Card Offers Keep on Coming

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Do you ever wonder why credit card offers keep on coming in the mail? Is it because they think you are a good risk; trying to do you a favor? NO! They want to make money and money they make every time we use those credit cards. How else could they afford all that postage, printing and TV ads?

ABC's Good Morning America Show revealed that the average American has in excess of \$9,000 outstanding credit card debt every month. At 13% interest (or more) that is approximately over \$1100 in interest that the credit card companies are making on us.

It is time for us to take control of this situation. Interest rates are rising; new laws have been passed so the credit card companies will raise the minimum payments we need to make. Below are 8 steps to take control of the situation.

1. Commit yourself to not using Credit Card with the exception of an Emergency. It is surprising how many of us feel helpless without a credit card in our wallet or purse. We are not asking you to cut up your credit card because you never know when an emergency will occur and you may need to use it.
2. Call Your current credit card company and negotiate a better interest rate to get an idea on what the market rate of interest is for credit cards today. Get the interest rate as low as you can tell them you are going to change credit cards and most of the time they will reduce your interest rate.



3. Pay it off. Take a good look at your credit card statement and determine how much you can pay each month on the principal to start eliminating your balance. Let's just say you are the average American and have a \$9,000 balance. Depending on your credit card company your minimum monthly payment can be between \$180 to \$360.
4. Commit to pay a minimum of \$360.00 a month plus the interest. Do not make any additional charges on your card and it will take you approximately 25 months to achieve a zero balance.
5. You and your significant other (if applicable) need to talk, understand and commit to resolving your credit card problem.
6. You need to get your personal finances under control and the only way of doing that is with deep desire and dedication to prepare and do a family budget.
7. Re-mortgaging, home equity loans should not be an option, until you and your significant other have successfully developed and maintain a budget. Then only then should you look at that option. Otherwise you will fall into the trap of re-financing your home to pay off the credit card debt. Then you will feel debt free (ha-ha) and charge again on the credit cards. Thus all you have down is added more debt, felt good for a few months.
8. Take small steps and take the right steps to beat the credit card companies

You need to know where you are spending money, you need to establish and work a budget before you really can beat those credit card companies and more importantly with a workable personal budget system it will save you stress, time and energy.