

Six Ways to Get Out of Credit Card Debt

Overdue credit card bills? Collection agency calls? Virginia CPAs offer these six tips for getting out of credit card debt.

1. Know how much you owe and to whom.

It might be a gruesome picture, but you can't get out of debt if you don't know how much you owe. Make a list of your debts, including interest rates and minimum payments.

2. Target balances with the highest annual percentage rates.

Once you pay off a credit card, apply that money to other credit card balances.

3. Pay more than the minimum due.

Even if it's just a small amount, it will help you avoid paying for an item several times over in interest.

4. Use a debit card to avoid interest charges.

It works just like a credit card but automatically deducts the purchase price from your checking account. Best of all, there's no bill at the end of the month and no interest charges.

5. Restructure your debt.

Consider switching your credit card balances to a card with lower interest.

6. Protect your credit history.

Make all loan and credit card payments on time.

Visit www.FinancialFitness.org for more personal finance advice. Brought to you by the Virginia Society of Certified Public Accountants



PAST DUE