

For Immediate Release:

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ACCC Offers Holiday Debt Reduction Tips

Newton, Massachusetts – January 17, 2006- The holiday greeting cards have been replaced in your mailbox with the holiday bills. Now what? “Many people do not plan their holiday spending, even though it is a major annual expense,” said Steve Trumble, President of American Consumer Credit Counseling. “As a result, these expenses often end up on credit cards that can take well into the New Year to pay off.”

If you overspent at the holidays, try these debt reduction tips from ACCC:

- **Stop using your credit and charge cards.** Use cash when possible to pay for food, clothes, utilities, rent/mortgage and other necessities. Keep your credit card charges to a minimum until you pay off your holiday debt.
- **Add up your holiday charges.** On a sheet of paper or with the use of a computer spreadsheet program, create columns for each credit card, the amount outstanding and the annual percentage rate. This will tell you how much money you owe.
- **Develop a repayment plan.** Decide how much money you can devote each month to pay down your holiday debt. Look for ways to shave expenses to set aside an extra \$50, \$75 or \$100 a month to reduce your holiday debt. You might consider reducing long-distance calls, eliminating subscriptions and eating out less often. You could also have a garage sale or get a part-time job.
- **Stick to your plan.** Pay off the credit cards with the highest interest rates first. You might also investigate the possibility of transferring bills to credit cards with lower interest rates.
- **Create a plan for the 2006 holiday season.** Consider opening a holiday account to save for the holidays in 2006. Use your 2005 expenses as a starting point for what you will need in 2006. Take the time to prioritize what is most important to you and look for areas to shave costs, such as entertaining less or giving home-made gifts.

During the holidays, it's easy to get caught up in the spirit of the season and spend beyond your means. If this happened to you, treat this as a learning experience and resolve to do better this year. If you need help, call American Consumer Credit Counseling at 800-769-3571 Ext. 500.

ABOUT ACCC:

American Consumer Credit Counseling is a non-profit 501 (c) (3) organization dedicated to empowering consumers to regain control of their lives through financial education, counseling and debt management to the community. ACCC provides individuals with practical solutions for solving financial problems and recognizes that consumers' financial difficulties are often not the result of poor spending habits but more frequently from extenuating circumstances beyond their control. As one of the nation's leading providers of education and credit counseling, ACCC works with consumers to help them with the best plan of action to reduce their debt and regain financial stability. For more information or to access financial educational information, go to www.consumercredit.com.

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