

## How To Get Your Credit Card Payments Under Control

Credit cards can be a nice convenience but they can also get you into a lot of trouble. If you have charged your cards up to the limit and are now having a hard time paying the bills you are not alone. Statistics show that the average credit card debt for each household in the U.S. is \$4,800 per month. Also, there were 1.3 million credit card holders declaring bankruptcy in the year 2003.

There are a couple of things you can do to help yourself get out of debt. The first thing, of course, is to stop using your credit cards! If you can't control your spending, then cut them up or put them away somewhere where they are not easy to get to. Of course, it is a good idea to carry one with you in case of emergency, but if that means you will use it to ruin your credit it may not be worth it!

One step you can take to pay off your credit card debt is to practice what is called debt stacking. You must be very diligent in this, but it is a good alternative for someone who is not eligible for a debt consolidation loan.

With debt stacking, you first create a list of all your monthly credit card debts and order them from smallest payment to largest. Pay the minimum on all these debts and apply any extra towards the smallest payment. When that card is paid off, apply the amount you were paying on that to the next smallest debt.

For example, say you're making \$75 payments to a small debt. When the debt is cleared add the \$75 to the next debt on your list. If the next debt had a minimum payment of \$100, you will now pay \$175 until it is paid off. When that one is finished, take the \$175 and add it to the next payment and so on.

Another way to get escalating credit debt back in control is credit card debt consolidation.

This means taking all your credit card debt consolidation is taking all your credit card payments and consolidating them into one monthly payment. This way, you don't have to worry about managing the payments individually. Aside from this advantage, it may also provide you with the following additional benefits:

- Reduction in interest payments
- Less late and overtime fees
- Reduced monthly payments
- Pay your cards off faster
- Improve your credit
- Save more money in the long run

There are two ways to attack credit card debt consolidation. One way is to use a Credit Card Counseling firm. They assist consumers by consolidating all their monthly payments into one single payment and then dispersing this to the creditors on behalf of the consumers.

The other way is through a home equity loan or other secured loan. This is done by exchanging an unsecured debt (such as credit card debt) for a secured debt (a debt backed by specific assets such as real estate).

Neither one of these solutions will erase your debt without you having to work at it. You will still have a long road to pay off the debt you have accumulated but with a set plan it will make paying off that debt easier as well as establish more responsible use of credit cards for your future.

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### About the Author

Find out how to repair your credit with the free credit repair report at <http://www.credit-repair.freeinfoplace.com/>. Lee Dobbins is a freelance writer and enjoys writing about many topics including debt and credit repair.