

News Column

By: Cassidy Lutz

K-State Research and Extension Greenwood County

Family and Community Wellness Agent

Say "Bah, Humbug!" to Holiday Debt

The average consumer spends \$1,284 on holiday expenses. That's a hefty chunk!

With all the expenses that typically occur during the winter holiday season, avoiding overspending can be hard.

Many people struggle to stay within normal spending limits during this time of year, but debts racked up during December alone can carry over into the next several months.

Having an idea of where you are financially before you start buying gifts is a great way to avoid racking up additional or excess expenses. By knowing where you stand financially, you can develop a holiday spending plan.

Set amounts of how much you think you will spend and on each individual and try to stick to that allowance. Although taking on credit is not always a bad thing, try to avoid charging a credit card. You might have to review your budget and reprioritize your list.

One way to prepare ahead of time for increased spending is to start saving now. Set aside a portion of your next few paychecks that you can use to cover holiday expenses. This doesn't have to be a large amount. It is best to keep your expectations realistic. Take a look at your monthly budget and decide how much is reasonable to spend on the holiday season.

Prioritize what expenses are most to least important. Be sure to include all expenses from gifts, decorations, clothes, to baking. If you come up short, decide where you can cut back. Maybe it's something as simple as recycling last year's decorations.

Keep an eye out for online and in-store deals and sales. Many Americans take advantage of Black Friday deals but neglect to continue price-checking items throughout the month leading up to Christmas. Retailers often offer Black Friday deals over multiple weeks.

Don't wait till the last minute. This is one of the easiest ways to go into debt during the holiday season. Now is the time to start planning for next year. Take your holiday budget you've set for this year – or what you wish it could be – and divide it by 12. This will give you the amount you need to set aside each month and doing so will feel like less of a burden than using only money earned in December to cover expenses.

It can be very tempting to splurge and overspend, but when it comes to your financial health in the new year, it is not worth the financial burden of excessive debt.

For more information about Family and Community Wellness, 4-H Youth Development, and K-State Research and Extension, contact the office at 620-583-7455, or email me at celutz@ksu.edu, or stop by

the office. Visit the K-State Research and Extension - Greenwood County Facebook page and <http://www.greenwood.k-state.edu/> for more information.