

Action Plan for Tackling Credit Card Debt



Date:

One

Time to Face the Truth

Have you procrastinated about tackling credit card debt because it's scary? Most of us do. But facing it is the first step you must take if you're ever going to pay the cards off.

Two

Gathering the Info

Go to your account online for each card company you owe. Look for the balance due, interest rate, minimum payment, and payment due date.

Three

Write it All Down

This step is incredibly important. Use a notebook, printer paper, a word doc, a spreadsheet - whatever you find easiest. But writing goals in your own handwriting is powerful at first and can help you stick to the plan.

Four

Pull Your Credit Report

Go to annualcreditreport.com or creditkarma.com to pull your free credit report. Be prepared to answer questions about your credit history to gain access to the report.

Five

Time to Commit

Figure out what motivates you the most. Is it improving your credit score? Is it getting rid of the stress of debt? Is it paying off the lowest balance first or attacking the balance with the highest interest rate more motivating? Gamify the process.

Six

Time to Take Action

Squeeze every dollar out of your monthly spending that you can & apply it to the card you've chosen to pay off first. Get brutal with yourself if you're deeply in debt. Stop going to restaurants, cut cable or streaming services (temporarily), cancel subscriptions for optional services, work overtime if you can - do whatever it takes to throw as much money as you can towards this debt. Monitor the results every month & update the list you made in #3 above.



If you'd like to read more on this topic, go to ValuesBasedFinances.com/blog and look for the "Dealing With Debt" Series. You can also access the Free Resource Library at ValuesBasedFinances.com for templates and Excel sheets.

