



HOLIDAYS ON A BUDGET

Table of Contents

About Credit.org	2
Our Services	3
Introduction	4
Budget Ahead of Time	5
Use Credit Wisely	6
Start Early	7
Shop Smart	8
Talk to Your Family	9
Sell Things	10
Save on Your Holiday Travel	11
Decorate on a Budget	12
Plan Family Dinners Carefully	13
Plan for Next Year Starting Now	14

Copyright © 2024 by Credit.org. This material is copyrighted. All rights reserved.

No part of this curriculum may be used or reproduced in any manner whatsoever without prior permission of Credit.org.

Legal Disclaimer: Liability claims regarding damage caused by the use of any information provided will be rejected. Information presented is to the best knowledge of the author and editors correct; however, if the reader intends to make use of any of the information presented in this publication, please verify information selected. No information provided here, or materials referenced, is intended to constitute legal or tax advice. You should not rely on our statements (or materials referenced) for legal or tax advice and should always confirm such information with your lawyers or tax professionals, who should be responsible for taking whatever steps are necessary to check all information and personally ensuring that the advice these professionals provide is based on accurate and complete information and research from any available sources.

About Credit.org



Credit.org is a Nonprofit Consumer Credit Counseling Agency Formed in 1974

Our mission is simple, yet vital: Improve the financial well-being of individuals and families by providing quality financial education and counseling. We offer personal assistance with money, credit, and debt management through educational programs and confidential counseling.



Legal Disclaimer: Liability claims regarding damage caused by the use of any information provided will be rejected. Information presented is to the best knowledge of the author and editors correct; however, if the reader intends to make use of any of the information presented in this publication, please verify information selected. No information provided here, or materials referenced, is intended to constitute legal or tax advice. You should not rely on our statements (or materials referenced) for legal or tax advice and should always confirm such information with your lawyers or tax professionals, who should be responsible for taking whatever steps are necessary to check all information and personally ensuring that the advice these professionals provide is based on accurate and complete information and research from any available sources.

Our Services

Financial Education Programs

We offer seminars, workshops, and educational materials on topics such as budgeting and money management, identity theft, and understanding credit.

Debt Management Programs

If you choose this option, we can work with your creditors to reduce costs and repay debt through one monthly payment.

Confidential Debt Counseling

Our certified consumer credit counselors will discuss your financial situation with you, help you understand what may cause financial stress, and help you create a personalized budget, an action plan and give you options to help manage your finances more effectively.

Credit Report Review

Our certified counselors work with you to break down your credit report, answer questions, and give guidance for improving your credit score over time.

Housing Counseling

We are a HUD-approved comprehensive housing counseling agency. We provide homebuyer education seminars, mortgage coaching, foreclosure prevention assistance, landlord/tenant counseling, post homebuyer education and reverse mortgage counseling (please call ahead for reverse mortgage appointments).

Bankruptcy Pre-petition Credit Counseling

We provide counseling (and a certificate of completion as mandated by the bankruptcy reform law) for those considering bankruptcy. We also provide financial education (and a certificate of completion as mandated by the bankruptcy reform law) for those completing their bankruptcy discharge.

Introduction

At Credit.org, we get more calls for debt and credit counseling after the holidays every year. It's all too easy to fall behind financially when planning holiday gatherings and gift giving. We can always help people recover from this financial "holiday hangover," but we also want to help people before they need more serious solutions like a debt management plan. With that in mind, here are our top 10 money-saving tips for the holidays.

A spiral-bound notebook is shown from a top-down perspective. The notebook is open to a page titled 'Budget' in large, bold, blue letters. Below the title, there are two tables. The first table is titled 'Monthly Net Income' and has two columns: 'Income Type' and 'Amount'. It lists 'Monthly Net Income' with an amount of 4,500 and 'Other Monthly Income' with an amount of 2,500. The second table is titled 'Additional Income' and has two columns: 'Details' and 'Month'. It lists 'Mid Year Bonus' in the 'Details' column. To the right of the notebook, a portion of a pie chart is visible, showing segments with percentages like 37%, 10%, and 6%. The notebook has a blue cover and a silver spiral binding.

Budget

1. Budget Ahead of Time

- We're always talking about sticking to your holiday budget, but you have to have one in order to have something to stick to. A solid, written spending plan is a must.
- Your budget should include everything, not just gifts. Remember charitable giving, spiritual observances, decorations, family dinners, travel, and any other expenses that will be part of your holiday spending.
- Your budget should have hard limits for your spending; know how much you have set aside for each category, and drill down even deeper. Set a spending limit for each gift recipient on your list.
- As the holidays go on, re-assess your budget to make sure you're on track. If you have to adjust what you plan to spend on various items on your list to stay on budget. If you have a personal budget for your household expenses, look for ways to save money just to get through the holiday months.
- Track your spending as you go... partly to make sure you're sticking to this year's budget, but just as importantly for next year. See Tip #10 for more.

2. Use Credit Wisely

- It's okay to use a credit card to manage your holiday spending, but only if you have a plan to pay that debt off by the end of the month. Never go into debt over holiday spending.
- Don't apply for department store cards, even if the extra discount is tempting.
- Have you earned some credit card rewards that you haven't cashed in yet? Now could be the time to redeem them for a gift card to help with your holiday spending.
- Be careful when shopping online; during the holidays; people are more likely to shop at new online retailers for particular gifts. Be sure your information is secure and check your bank and/or credit card statements regularly for fraudulent activity. Scammers will try to bury fraudulent charges among a long list of legitimate transactions during the holidays.
- Be sure to check your credit card companies' web sites and look out for special holiday discounts. Some creditors will offer discount codes and coupons for particular retailers or web sites.

3. Start Early

- The more time you have to shop, the more likely you are to find the best deals. Give yourself time to comparison shop so you don't have to take the first deal that comes along.
- If you're shopping online, do so early enough that you can use the cheapest shipping option, or get free shipping altogether.
- Pay your December bills early; don't let them wait until the due date. You want to be sure your regular obligations are met while you still have the cash on hand to cover them.
- If you buy something early and then it goes on sale, then you have an opportunity to bring it back and get a price adjustment, or return it and buy the cheaper version from a different retailer. If you wait too long, you lose this option.



4. Shop Smart

- If a store offers gift-wrapping, use it! This saves you time and money.
- Make sure you use up all of the leftover blank Christmas cards from past years before you purchase new ones.
- Shopping should be a rational, not an emotional decision. Stick to the budget and follow those numbers, no matter how much affection you have for the gift recipient.
- Beware of buying gifts that come with ongoing payments, like cell phones that come with a contract, or tablet computers that include data plans. The cost of the gift should include the monthly charges, not just the initial cost of the device. Getting a new family pet also comes with ongoing vet bills, food, bedding, etc.
- Like we said in tip #3, be ready to return things you've already bought if you find them cheaper somewhere else, or ask for an adjustment if the price drops on something you just purchased.
- Take advantage of post-Christmas sales—you can even plan to exchange gifts on New Year's Eve to give you an extra week to pick up things for a bargain.
- Consider giving gifts that will grow in value, like a savings bond or stock certificate.

5. Talk to Your Family

- Talk to your family about extended family gatherings. Maybe this year it's best to do Thanksgiving with one set of grandparents, and Christmas with another. Cut down on the expense of getting together by planning ahead.
- Make sure you know what your family truly wants. An expensive gift no one was asking for isn't as special as getting just the right thing, so knowing the best gift to give can save you money.
- Set expectations with everyone ahead of time so everyone has a good idea of how much they are going to get, and how much they should be spending.
- Don't mislead your significant other just to keep your gift a surprise. Be honest about how much you are spending, and expect the same from them.
- Come up with ideas for your extended family to ease the financial burden of the holidays—draw names for gifts, get gifts for children only, or get together to buy one big present for grandma.
- Consider planning a family vacation for another time of year, and defer holiday giving to pay for the cost of the trip. If everyone is on board and looking forward to that special trip, they won't miss a few Christmas gifts.
- Teach your kids the value of a dollar by giving them an allowance, and then having them buy gifts out of their own savings. Use the holidays as an opportunity to teach your kids to resist advertising and marketing influences.

6. Sell Things

- If the weather in your area allows it, have a yard sale now—let other people do some of their holiday shopping from your garage.
- Anything you have that is rare or collectible might make a good gift for someone, and you might get more money for it if it's a gift purchase. Mention in your Craig's List or eBay listing that your item "Makes a great holiday gift!" but sell carefully if you're using the internet so you don't get ripped off.
- If you're upgrading to new tech devices, consider selling your old devices to dedicated sites that buy used gadgets. Examples include Gazelle.com or NextWorth.com.



7. Save on Holiday Travel

- If you're visiting family for the holidays, create a separate budget just for travel expenses.
- Pack well—leave room in your luggage in case you return with more gifts than you arrived with. That way if you're flying, you won't have to force yourself to buy more luggage or check an extra bag on the return trip. And don't check a bag at the airport containing anything irreplaceable.
- When traveling by air, don't wrap gifts ahead of time, since they will be unwrapped by the TSA if your baggage is inspected.
- Plan to fly early in the day so your flight won't be delayed, and look for non-stop flights to avoid the hassle and expense of a layover. Don't leave yourself in an airport for hours with nothing to do but shop or eat overpriced snacks.
- Fly on a non-peak day, like Christmas Eve, to get the best ticket prices.
- Stay with family rather than paying for a hotel. If you have to book a room, get one with a kitchen so you can avoid some meal expenses.
- Make your holiday trip all about spending time with family, not about seeing expensive tourist destinations.
- If visiting family, ask in advance for rides to and from the airport or train station, avoid the cost of a taxi or rental car.

8. Decorate on a Budget

- Set aside a day to go through all your old holiday decorations so you don't buy duplicates of anything you already have.
- Switch to LED Christmas lights; they are safer and use much less electricity.
- This might be the year to get an artificial tree—they look more realistic than ever and you can re-use them for years to come.
- Check out Etsy for hand-made decorations that are unique and cheaper than what you can buy at any store. If you're particularly good at arts & crafts, an Etsy store might make you a little bit of extra money for the holidays.

9. Plan Family Dinners Carefully

- Divvy up the work, and get firm commitments so everyone brings the right dishes. Don't have a family meal with one side dish and 12 desserts. Figure out who is making what early, so everyone knows what to shop for.
- Get a good idea of how many will be attending gatherings so you don't make too much or too little food.
- Choose recipes that avoid expensive ingredients; traditional meals become traditional because the components are readily available during the holiday time of year.
- Cut back on your food budget in the weeks leading up to your holiday dinner. Forgo expensive ingredients and dining out while you save up for a big family meal.
- Have a plan for what to do with the leftovers, so nothing goes to waste and you can avoid paying for a few meals after the big family dinner.
- Apply all of these tips—shopping online, starting early, watching for sales—to your food shopping as well as gifts & decorations.

10. Plan for Next Year Starting Now

- Figure out what worked—if you drew names and everyone liked it, plan to do the same next year. Turn anything you tried that saved money into a new family tradition.
- Take pictures of decorations/arrangements you liked, so you'll be able to easily replicate them in the future.
- Put away your decorations with care so nothing will be broken and need to be re-purchased next year.
- Pay close attention to your credit card bills right after the holidays. Look out for fraudulent transactions, and make sure you aren't forgetting a credit account you don't use very often.
- Assess your financial situation in January. Were you left with debt from the holidays? Remember this feeling and plan to avoid it next year. Assess your situation before tax time, so if you get a refund, you will be more likely to use it responsibly.
- Think about your gift list for next year. If you know who is on it and what they might like, you can be on the lookout for good gifts all year-round.
- If you tracked your holiday spending carefully this year, you know precisely how much to save for next year, and you can start right now. If you spent \$600 on the holidays, then you can save \$50 a month for the next year to have the next holiday season covered—no need to borrow or stress out about money next year!



Holidays on a Budget

Credit.org

1825 Chicago Avenue
Suite 240 Riverside,
CA 92507

PO Box 5438
Riverside, CA 92517-5438

(800) WISE-PLAN (800) 947-3752

www.credit.org



ACCREDITED
BUSINESS

A+
RATING

nfcc | MEMBER
National Foundation for Credit Counseling