

FORTY WAYS TO STRETCH YOUR BUDGET

Credit cards

- Pay your credit card balance in full each month. If you don't pay your credit card balance in full each month, you will be paying steep interest rates on the balance. That interest rate could easily be 15% to 20% or more annually. Call the credit card company and tell them to reduce the rate. Many will negotiate.
- Switch to a low-interest credit card. If you have to maintain a balance, consider a card such as Simmons Bank Visa Platinum. Their interest rates on outstanding balances are usually less than 10% and there are no annual fees. That's about half what most card companies charge.
- When getting cash from ATMs, use only those affiliated with your own bank so you can avoid the transaction fees charged by "foreign" banks. These fees typically run \$2 to \$3 per transaction. Or get a card from a bank that absorbs fees, such as Capital One or Chase Sapphire Preferred.

Investments

- Reduce the commissions on your stock trades. Many stockbrokers will negotiate. Another option is to trade online, which typically costs less than \$10 per transaction.
- Investing in mutual funds? Stick with no-load funds, which have no sales charges. If you buy load funds, which do have sales charges, you will start off on Day One with a 5% loss.
- Take advantage of your company's retirement plan. If there's a 401k plan, make sure to enroll. A 401k is a retirement plan that saves money from your pretax earnings. Those savings may be matched by employer contributions. Even a small contribution can build up to a substantial sum over time.

Automobiles

- Use regular gas instead of premium. Most recent vintage cars have electrical systems that will sense and adjust for lower grades of gas. There's usually little difference in performance, but the average driver could save several hundred dollars per year by making the switch.
- Buying or leasing a new car? Go to CarBargains, which is a service of Checkbook.org, a nonprofit organization based in Washington, D.C. For \$250, CarBargains will get multiple bids from local dealers to assure you of the lowest possible price. They guarantee that the deal they get you will more than cover their fee or you get your money back.

- Want to find the cheapest nearby gas station? Go to gasbuddy.com for a list of nearby stations with current prices.
- If your car is leased, find out which maintenance is *required* and which is *recommended*. Some car companies do not require you to bring your car in for expensive checkups at 15,000 and 30,000 miles. These checkups typically cost hundreds of dollars each.
- For leased cars that need tires replaced before turning them in, buy used tires with good tread on eBay. Much cheaper than buying new ones.
- Do you have a car to sell? Sell it on eBay. It's the largest seller of cars online and prices are usually much higher than you can get from a dealer or private party locally. It takes a few weeks and the cost of selling is only \$125.

Shopping

- Looking to make a substantial purchase? Find the make and model number, then go to pricegrabber.com to find the best deal.
- For any number of things you may be planning to buy, take a look at eBay or Amazon, which often have what you want at great prices.
- Join rewards clubs at nearby food stores and drug stores. They often provide discounts on follow-up purchases.
- When going grocery shopping, take a list, but don't go when you're hungry. It's an effective way to avoid impulse shopping.
- Set aside a realistic amount for holiday shopping and don't let the spirit of the season tempt you to abandon it.
- Avoid shopping at convenience stores. The price of convenience can be very high.
- Considering bargaining in stores that sell high-ticket items such as furniture. In many cases, the tag prices are nothing more than starting prices from which you can work your way down, occasionally by 10% to 20% or more. Bargaining has always been the way to buy cars and it works more and more with other expensive items.
- Clip and use coupons, but don't buy just because you have a coupon. Use them only for things you buy regularly.
- Shop at warehouse clubs such as Costco, Sam's Club, and BJ's. Their prices are often much lower, though you may have to buy larger sizes than you are used to.
- Don't buy extended warranties. They're designed primarily to inflate the profits of the sellers.

Computers

- Buying a computer? Select one that is a few steps below the latest and greatest. In most cases, you won't notice a difference in capabilities, but you will notice a big difference in price.

- When you buy a computer printer, you're really paying for the ink and getting the printer for free. The manufacturers hope to make their money by selling you more ink as the cartridges run dry. In many cases, you'll do just fine buying store-branded cartridges, which will be noticeably cheaper.

Telephones

- Do you have several accounts for your family's cell phones? Consolidate them in a family account.
- Do you have a landline phone as well as a cell phone? Consider dropping the landline.
- Do you have phone service, internet service, and cable TV service? Take advantage of the combination deals offered by the cable companies.

Health Care

- When filling prescriptions, get generic drugs instead of brand-name drugs. And check out [GoodRx](#), which will find the best prices near you.
- For over-the-counter health care items, buy the store brands.
- Do you have big hospital or doctor bills? Since most medical costs are paid by insurance companies or Medicare, which reprice to much lower levels, you as an individual will usually be billed more. Often, a request for a reduction in outstanding charges in return for prompt payment in full will result in a lowered bill.

Travel

- Planning a trip by plane? Go to [kayak.com](#), [skyscanner](#) or [hopper](#) to find the lowest fares and best times to buy. Book your tickets on line.
- Need hotel reservations? In many areas, a [Priceline](#) bid will get you a deal that will be well worth your while. In most cases, the discount will be 50% or so from the standard rate.

Everything Else

- Look through your closets and attic for stuff to sell on [eBay](#). The average household has more than \$1,000 worth of items that could be auctioned off for cash.
- Get a programmable thermostat for your house. That will lower the temperature at night and raise it while you are home. If you have hot water heating, make sure that the changes are small so water will always be circulating.
- Raise the deductibles on your insurance. Over time, the lower premiums paid will more than offset the occasional out-of-pocket deductible cost.
- Borrow books from a library instead of buying them.

- Unless you plan to visit regularly, don't join a gym. Most folks sign up with the best of intentions, but rarely maintain a regular fitness regimen.
- Switch to LED bulbs. They cost much less to run and last much longer. Make sure to turn off lights when you leave a room.
- In most cases, it doesn't pay to fix broken appliances. The repair will often cost more than the price of a new replacement. Just buy a new one.
- **Create a budget and stick to it.**