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UPDATE POST



5 Tips to Stay on Budget This Holiday Season

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The holiday season can be hard on our wallets. The cost of gifts, food, drink, and travel can add up quickly. Nobody wants their holiday cheer dampened by stress over money or a negative bank balance. But by following these five simple budget tips, you can focus on tidings of joy instead.

1. Cut back on discretionary spending- Consider cutting back on superfluous expenses during the holiday season, recognizing that these savings can be used for holiday expenses. That means fewer movie nights, Saturday night dinners, expensive lattes, and after-work drinks with colleagues. Abstaining from these pricey treats will leave you more cash to cover extra seasonal spending.

2. Keep cash in your wallet and hide the plastic- Studies show a correlation between the use of credit cards and increased spending. It's easy to see why: We've all fallen prey to the swipe-and-go convenience of credit cards. But this short-term convenience can bring long-term consequences when you're stuck trying to pay off a

big credit card bill the next year. Instead, keep cash in your wallet and use it to cover your holiday expenses. You may find that it makes you spend more judiciously.

3. Save on alcohol by buying in bulk- Between bringing wine to various holiday parties and keeping the fridge stocked with beer for those "help-yourself" friends and relatives, it's easy to blow your budget on alcohol without even indulging yourself. Consider buying a case of quality – but inexpensive – wine at the start of the holiday season then budgeting your bottles over the coming weeks. Buying in bulk saves you money and time. For your fridge: A case of cheap domestic beer will be sufficient to offer your house guests and relatives upon arrival. If they want their favorite "craft" (read: expensive) beer, they are welcome to buy it and put it in the fridge themselves.

4. Give consumable and intangible gifts- Your gift generosity can come back to haunt you over the holidays. Before you buy, consid-

er: Does your sister really need another sweater? Do your kids really need more toys? It's quite possible that such expensive gifts will be received warmly but just add to the clutter. Instead, consider less expensive but always popular consumable gifts like a nice bottle of pure maple syrup or olive oil. Even better: an intangible gift costs you nothing but may be exactly what your friend or relative is looking for (think: babysitting or home repair).

5. Carpool- Approximately 95 million Americans will travel 50 miles or more during the holiday season. Even with gas prices dropping, travel costs still can make up a big portion of our holiday budget. To save money on travel costs, consider asking your friends and colleagues what their travel plans are and if you are going in the same direction then carpool. Often there will be so many vehicles at your final destination that you can borrow that you can make do without your personal one.