



FOR MORE INFORMATION:  
Amida Mehta Credit Counselors | 804-222-4660 ext. 780 | amida.mehta@repaydebt.org  
Paul Rakov BCF | 757-497-4811 | prakov@bc-f.com

**1-800-REPAYDEBT | [www.RepayDebt.org](http://www.RepayDebt.org)**

## FOR IMMEDIATE RELEASE

---

# ‘Tis the Season To Be Jolly! This Holiday, Give The Perfect Gift Without Breaking The Bank

*-Credit Counselors offers simple budget planning tips to save consumers the stress of holiday debt-*

(Richmond, Va., December 1, 2004) – It’s that merry time of year again. The malls glow with festive holiday lights, luring shoppers to buy the most incredible gifts for family and friends. But if consumers don’t carefully budget their spending, the holiday reveling can quickly turn into the post-holiday blues.

This year, U.S. consumers will spend approximately \$219 billion on holiday gifts, according to the National Retail Federation (NRF). The NRF also estimates that more than 30 percent, or about \$65 billion, of these purchases will be made using a credit card. The average consumer will spend \$703.03 this holiday season – up 4.5 percent from 2003 – with approximately \$210 of that spending on credit cards. This “buy now, pay later” mentality can lead to seemingly insurmountable debt for some holiday shoppers, warns Credit Counselors, a non-profit credit counseling agency based in Richmond, Va.

“The holiday season brings out the generous nature in us all,” said Amida Mehta, marketing director for Credit Counselors. “However, we advise our clients that it is critically important to distinguish between what we can and *cannot* afford. Even by following this one guideline, consumers can enjoy the holidays and avoid a stressful New Year.”

Credit Counselors has helped thousands of consumers achieve financial security through their free counseling services. The organization offers the following tips to help consumers stay out of debt this holiday season:

- **Set a realistic budget.** Start by reviewing your current budget. Based on that calculation, decide how much you can afford to spend and stay within that budget. Don’t forget to take into account the miscellaneous items involved with holiday spending, such as airfare to visit loved ones, decorations for the entire house, groceries to fill the bellies, holiday cards and fancy gift wrap.

-more-

- **Make a list and check it twice.** Determine who you plan to buy for. Take the list with you when you go shopping and avoid impulse buying, which is a major contributor to budget-busting spending during the holidays.
- **Be on the lookout.** Watch the newspapers for sales and discounts on items you intend to purchase. For people you are visiting after the holidays, consider buying the gift during post-holiday sales offering huge savings.
- **Create homemade gifts.** A freshly baked loaf of bread, cookies and desserts are always appreciated. Arts, crafts, needle-work or a collage of family photos make wonderful gifts that don't hurt your wallet.
- **Designate Secret Santas.** If you have a large family or a large circle of friends, consider starting a Secret Santa (or a Secret Snowflake). Each person pulls a name out of a hat, and buys only for that person. Everyone gets one gift instead of ten, but each person also spends less money.
- **Avoid temptation.** Every major department store offers consumers a private-label credit card that usually comes with an instant discount when you apply for it at the time of purchase. This can be an excellent way to save money while deferring payment for a month. However, if you don't pay the full amount when the bill comes in, beware of higher-than-normal interest rates. Rule of thumb: if you cannot afford the item when you buy it, don't charge it just to get the discount. You are better off sticking to your budget and paying cash.
- **Forget the plastic.** Unless you know you can pay your holiday bill in full, don't charge it. Use cash and give *yourself* the gift of not having a huge after-the-holiday's-over credit card bill hangover. If you must use plastic, bring the lowest interest rate card with you.
- **Find a Santa's Helper:** If you find yourself struggling to maintain your budget, trying to stay out of debt and still enjoy the gift of giving, get some help to manage your spending habits. Working with a free, non-profit group such as Credit Counselors can help alleviate the financial pressure of the season. In person, via phone or on the Internet at [www.repaydebt.org](http://www.repaydebt.org), Credit Counselors can help put the joy back in your holiday season.

Following these simple holiday spending tips can lead to a much merrier season and a less stressful new year when the bills come home for the holiday.

*Established in 1980, Credit Counselors, a nonprofit credit counseling agency, has helped more than 500,000 clients achieve financial security. Free and confidential consultations are available in person, by phone or online. Credit Counselors is a System Wide Member of the Better Business Bureau, and one of the largest members of the National Foundation for Credit Counseling (NFCC). Each counselor at Credit Counselors is required to be NFCC certified. Headquartered in Richmond, Va., Credit Counselors has branches in Virginia, Maryland, North Carolina and South Carolina. Visit Credit Counselors at [www.RepayDebt.org](http://www.RepayDebt.org) or call 1-800-REPAYDEBT.*