The Infinite Banking System is a great tool that teaches individuals how to “Become Their Own Bank.” With over 200 years of history, the Infinite Banking Concept has changed many individuals lives by showing them how they can finance their own purchases and recover back the interest that they usually forgo, plan for the retirement of their dreams, save for college education, and even allow them to pay off their credit card bills! After taking it to new heights more than 30 years ago, Innovator, R. Nelson Nash, has help many change the financial outcomes of their lives!

The essence of the “Infinite Banking Concept” itself is to recover the interest that one would normally pay to a banking [](http://www.facebook.com/infinitebanking)institution.

A concept or principal that must be understood is that we are not talking about investing. We are talking about financing. Financing is a process not a product. Financing involves both the creation of and maintenance of a pool of money and its use. However, we will see that when a financing system is combined with an investment system, the combination of the two will always out perform an investment system.

An important concept or principal we must all agree on though is that you finance everything you buy. You either finance by paying interest to someone else, or you give up interest that you could have otherwise earned yourself. For all of the reasons mentioned every person should be fully engaged in two businesses: banking and your current occupation. Out of these two occupations, banking has the greatest potential for helping a person maximize their financial outcome, as well as their long-term wealth.

If we look at the average American, we will find that the average American spends between 24% and 34% of every dollar they get on interest expense (home, car, boat, mortgage, credit card, etc.).

Furthermore, once we deduct taxes, those individuals are only having roughly 35% of their income left. It is wonder why the savings rate is so low.

If a legal, legitimate method could be developed to simply capture half of this loss, the wealth creating ability of the average man would be significantly improved.

This method is the Infinite Banking System!