

Title:

Debt Consolidation - Your First Step to Financial Responsibility

Word Count:

530

Summary:

Don't let your credit card debt goes into worse situation where bankruptcy is the only option. Start your first step to financial responsibility and look at your credit card debt seriously; consolidate them to one smaller and more manageable payment. Read this article to get more information on managing your credit card debt with debt consolidation.

Keywords:

debt consolidation, debt free, debt settlement, consolidation debt, credit card debt, credit card

Article Body:

In today world, almost everyone owning at least one credit card and most of people owning more than one card. Credit card has enabled you to buy things with electronic money, what you need to do is just sign your signature on the credit card receipt. It has made your life so easy until you may not aware that you might over spending each month. If you not manage it probably, you may trap into credit card debt like most of Americans. According to statistics over 40% American families spend more money than they earn and the average American household has nearly \$10,000 in credit card debt.

The worst case option for unbearable credit card debt is by declaring bankruptcy. But if you start to serious look at your debt problem and handling it properly, you will have a better option to get rid of credit card debt without the need of bankruptcy. Don't choose this option unless you really need to do so, debt consolidation is always your better options.

Debt consolidation is simply the process of combining all accumulated debt from all the various creditors into one smaller, more manageable payment. It could be in the form of another credit card or some sort of loan but the best solution really boils down to what works best for you and your current situation.

Debt consolidation will enable you to organize your credit card debt, pay much less in interest and even drop a portion of your debt in some circumstances. Debt consolidation will combine all your debt in one manageable monthly payment

with a single due date. With that, you only need to remember one payment due date, miss payment or late payment can be avoided. This will help you to rebuild your good credit records and eventually improve your credit ratings.

If you have home equity, you are lucky because you actually can opt for a home equity loan and use it to pay off your credit card debt. Home equity loan has a much lower interest rate and it can be spread over more years and the interest is tax deductible.

By consolidating your debt into one payment, your credit cards are now free and clear. At this time, your credit card will be back to maximum credit limit for you to use again. If you are not changing your spending behavior, you may trap into to another credit card debt. Hence, a good first step is to cancel most, if not all of your current credit cards. You may keep one for gas and groceries and another one for emergency backup purpose. Pay off your balance each month to develop a good credit rating.

In conclusion, don't let your credit card debt goes into worse situation where bankruptcy is the only option. Start your first step to financial responsibility and look at your credit card debt seriously; consolidate them to one smaller and more manageable payment. Do a little research and find the best debt consolidation deal you can for your situation and then change your spending behavior so you can get rid of your credit card debt in a few years down the road.