

Title:

Is credit card debt consolidation for me?

Word Count:

431

Summary:

Consolidating through credit cards is one of the best ways of paying credit card loans with a high rate of interest. However, one can also apply for a credit card debt consolidation loan.

Keywords:

credit card debt, debt consolidation, consolidate credit card debt, bad credit

Article Body:

With the average Australian household credit card debt rising to almost \$10,000, credit card debt consolidation is big business today. The popularity of credit card debt consolidation is evident by the numerous methods as well as the large number of firms providing credit card debt consolidation services. However, all credit card debt consolidation methods work differently, and depending upon your own financial situation and the amount of your debt, you should choose the credit card debt consolidation method that works optimally for you.

There are numerous credit card debt consolidation options available for the average debtor. If you are not already neck-deep into debt, then the best method for paying it off is to consolidate using credit cards. Credit card companies offer many different options for people who use this method of credit card debt consolidation. Many companies offer a 0 interest rate.

The advantage of using this kind of credit card debt consolidation method is that you end up saving the sky high interest that you were paying on your earlier credit card. This way, whatever you spend on paying off your credit card balance goes directly towards reducing your principal instead of being wasted on interest payments. However, this method of credit card debt consolidation works only for people who are regular and disciplined about paying off their credit card balance on time.

One thing that you need to keep in mind is that, no matter what, you are consolidating with a credit card! So, in case you delay your monthly payments, you will have to pay back your balance with a much higher rate of interest than what you were probably paying on your earlier credit card. While generally

credit card debt consolidation schemes start with a 0% APR, the rate of interest shoots up steeply once the introductory period is over and you may end up paying more than you would have originally. If you want to become debt free this way, then remember that strict discipline and thoughtful planning are the cornerstones of credit card debt consolidation through balance transfers.

In case you feel you are not disciplined enough to always pay off the balance on your new card on time, then consolidation through credit card may not be the best option for you. In such cases, you should try exploring credit card debt consolidation loans. You can write off your entire credit card debt using the payment from a credit card debt consolidation loan. And the best part is that these loans are available at a much lower interest rate than what your average credit card company charges.