



Six Steps To Becoming A Super Saver

by John A. Addison, Jr.

(NAPSA)—If you're like many people, you have all the best intentions—but still can't seem to find extra money to save. Fortunately, taking these six steps can help you become a “super saver.”

Super Saver Tip #1: Reduce big-ticket items. Since the majority spends the most on housing (26 percent of income) and transportation (4 percent), trim these areas first. Many super savers buy more-modest homes than they can actually afford. Your next biggest expense is probably your car. Driving it after the loan is paid off can save you about \$1,670 a year (based on skipping new-car payments and typical ownership costs for a five-year-old car).

Super Saver Tip #2: Save or invest any windfalls—including tax refunds. If you turned last year's average refund of \$3,035 into a \$250 monthly investment compounded monthly for 35 years, you could have \$357,958 at 6 percent or close to \$1.6 million at a 12 percent rate of return. (Assuming a constant rate of return; amount does not include fees or taxes, which would lower results.)

Super Saver Tip #3: Don't buy anything until you can pay cash. Not only do you avoid credit card debt and interest, you'll spend less—approximately 10 to 35 percent less than those who pay with debit or credit cards.

Super Saver Tip #4: Set manageable goals. Don't overwhelm yourself with 10 things to accomplish all at once. Set your priorities. For example, start building up an emergency fund by putting \$50 a month into savings. Alternatively, pay more than the minimum on your lowest-balance credit card or start contributing monthly to an Individual Retirement Account.



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Super Saver Tip #5: Make saving automatic. All the smart spending in the world won't help unless you invest your savings. Many super savers let computers do the work and automate their savings. For example, set 5 percent of your paycheck to go automatically into a retirement plan. You can ask a Primerica representative about getting started saving in an Individual Retirement Account for as little as \$25 a month.

Super Saver Tip #6: Is there a way to turn your talents and interests into part-time cash? Consider tutoring, child care or taking on a part-time job. If you're interested in learning more about financial goal setting and helping families with their finances, you can talk to a Primerica representative about a part-time opportunity. It can be a great way to educate yourself and take your savings to the next level.

For more information about Primerica or the super saver tips described in this article, visit www.primerica.com.

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