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Manage Your Debt Effectively by [FIDELITYLAW](#)

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Obtaining credit relief can be a harrowing experience. It has been compared with drowning. If you can't breathe because of debt, it's time to make a plan. At the furthest end of the spectrum is a process called debt forgiveness. Before resorting to this radical method, let's explore a few options to help manage your debt.

Get Organized

Assemble your debt obligations, contracts and bank records in an organized manner. Financial problems bring with them excessive stress. You may be tempted to stick your bills in a drawer or throw them away in frustration. This will just lead to chronic stress.

Make a list of everything you owe or fixed expenses. Estimate flexible expenses, such as groceries, gas, lunches out, clothing and entertainment.

Subtract your expenses from your monthly income. If your debts exceed your income, it's time to take action for credit relief.

Credit Relief Begins at Home

Would you consider giving up entertainment and dining out until some of the smaller bills are paid? Can you make money with a garage sale or by selling something on the internet? Is it possible to lower your mortgage payment by refinancing?

Are you having too much tax withheld from your paycheck? Do you have spendable cash other than your paycheck? Is a part-time job an option? Is there a 401K you can liquidate? Did you inherit stocks or bonds?

If you absolutely cannot reconcile your finances, you'll need to seek outside resources for credit relief.

Credit Counseling

Search for free or affordable certified credit counselors. Take your financial records with you to the first meeting. They will advise the best route to take out of your financial difficulties. Counselors are trained to tailor a spending plan that fits your needs.

If you and your counselor determine your debt is too extreme to manage, they will help you with a debt management plan.

Debt Management Plan

When you enroll in a debt management plan, you will pay a fixed amount monthly to the agency. They will disburse the funds among your outstanding creditors. The counselor may successfully arrange to decrease or eliminate monthly interest charges.

Stay with the plan! It could take from three to five years to fulfill your obligations, depending upon the total amount owed. When debts are reconciled, your counselor will aid in re-establishing credit.

Debt Forgiveness

Debt forgiveness is the most radical route. But, if you're in a severe financial hardship, it could be your only alternative. Most personal debt forgiveness is a result of filing bankruptcy. You will need to obtain an attorney for counsel and to file documents for the appropriate bankruptcy.

Your credit counselor may assist you with seeking debt forgiveness through third party lenders, which carry your home mortgage. Some credit card companies possibly forgive all or part of the outstanding debt.

If you're forced to sell your home at a loss, check out The Mortgage Forgiveness Debt Relief Act.

Extreme indebtedness negatively impacts every quality of your life. You should take comfort in knowing that with discipline and determination, you can obtain credit relief.

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FIDELITY LAW is a Professional Corporation consisting of expert a [bankruptcy Attorney in California](#), who specialize in a [debt relief ca](#), debt cancellation and chapter 7 bankruptcy related topics.

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