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■ 2010 HOLIDAY GIFT GUIDE INSIDE

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Kick the overspending with these tips

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Are you busy Christmas and Hanukkah gift shopping? Do you find it hard to stick to your budget and end up overspending every year?

Want to kick the habit?

Here's some advice on how to avoid getting into debt for holiday gifts from



BARBARA STARK

Barbara Stark, a West Boca resident who is director of education and community development for the national nonprofit American Debt Counseling. Stark has a master's degree and teaches at Broward College. ADC provides free credit counseling and financial literacy educa-

tion. **Some stores are offering layaway. Is that a good thing?**

Yes, layaway enables customers to purchase items in advance when they can get a good deal and put the item away with a small deposit and make monthly payments interest free. That's the key there.

Why is it the key?

If you used a credit card, you could take the item home with you, but you have to pay interest every month. With layaway, you can budget yourself each month until you can take the gift home and you're not paying

anything.

What about online buying?

Online sites are now doing layaway and it's the same principle as a brick and mortar store. When you're finished paying, they ship it to you.

What about the sites offering free shipping. Is that real, or are retailers just adding that cost on to the cost of the item?

Retailers are fighting for customers' dollars and they're looking for volume and need to drive sales. Most dedicated online shoppers never pay for shipping anyway.

How do online shoppers avoid shipping fees?

They use websites such as retailmenot.com, couponcabin.com, or promo-

tionalcodes.com. Say I want to purchase on victoriasecret.com. I select my items and shipping fees. Then I open another window and do a Google search for Victoria Secret promotional codes or shipping codes, and nine out of 10 times there's a dollars-off or free shipping. You enter the code in your shopping cart. For the savvy shopper, it's almost a religion not to pay shipping.

How do you feel about buying online when the actual store is here? Is there any advantage either way?

If you're a good shopper you know your prices. Before you make your purchase, comparison shop. You can use online to do your comparison shopping and get educat-

ed. You can buy online if it's a reliable site and they have free shipping. A lot of sites offer free returns and a price guarantee that if the price goes down in 30 or 60 days they will give you a credit.

What's your advice this holiday season when people are so strapped for money?

Pay cash or use a debit card, not a credit card. The average person takes well over a year to pay off their credit card with interest, six months to a year.

Use layaway whenever possible.

It's not always the amount of money you spend. You can make a gift, create a gift or give a family heirloom.

Always shop with a list and establish a budget on

how much you want to spend on each person's gift with some gift ideas. This should relate to your overall budget and set how much to spend on holiday gifts and no more.

Whenever possible, re-gift. You have to keep track of who gave you the gift and rewrap it.

If you do use a credit card, make every effort to pay it on time and in full.

What if you end up overspending anyway?

If people find themselves in debt in January, there is free help out there. Avoid going to a debt settlement company that charges an upfront fee. Look for a nonprofit credit counseling organization. We have certified credit counselors who will help you budget, rebudget and make ends meet.