

## **Paying Off Debt Tool**

I will put \$ toward paying off my debt each month.

Priority	Name of Debt	Total Debt Amount	Minimum Payment	Actual Payment

## Tips for using this tool:

- The amount of money you put toward debt each month will not decrease, so be sure to pick an amount you can afford every month.
- Request your free credit report from <a href="www.annualcreditreport.com">www.annualcreditreport.com</a> to get a list of creditors and how much you owe each one.
- Be sure to add any private loans you have from friends and family.
- "Minimum payment" is the minimum payment when you start paying off your debt. This should never be changed unless the amount increases.
- "Actual payment" should only be used for your current highest priority debt. This will be the minimum payment plus any extra money you are putting towards your debt.
- As you pay off debts, that payment should be added to the actual payment of your highest priority debt.
- As you pay off your high priority debts, put a single line through them and add that payment (the minimum payment plus extra) to the "Actual Payment" of your next highest priority debt.