

Ways to better manage your bills

If you have trouble keeping track of the bills that come in, or are getting hit by late fees, there are steps you can take. Try this three-part plan to get on top of your payments and avoid costly fees, higher interest charges and dings on your credit report.

Get organized



Start by making a list of all your bills: utility companies, credit cards, rent or mortgage, and any other loans. This will help you keep track of them and can serve as a checklist each month to be sure you don't miss any payments.

Next, make sure you have a dedicated place where you organize your bills—one place for paper bills that come in the mail and a folder on your computer, or in your email, for digital statements.

If you are behind in your payments, it can be tempting to avoid opening your bills. Fight that temptation—you don't want to be surprised by late fees or additional payments due.

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Create a schedule that works for you



It's likely that the bulk of your bills are due on the first or the 15th of the month. Mark their due dates on a calendar. If those dates feel very scattered, or fall when your account balance tends to be low, you have options. You can often work with bill collectors to change due dates so they coordinate with when you receive your paycheck, or when you have the most cash available.

Also, research whether you have a grace period between when your bill is due and when you are charged a late fee. Grace periods are usually about 15 days.

Then, choose a time when you sit down and pay your bills, whether it's once a month, twice a month or more. If you sit down only once

a month to make payments, be sure to do it so you are paying bills on time or ahead of time. Take advantage of email or text alerts to remind you when bills are due and when you are scheduled to pay them.

Streamline the payment process



To remove some of the stress and time pressure of paying your bills, make automatic bill payments when possible. You may be able to set up automatic payments through your bank, or your biller can deduct the amount of your bill from your account. Either way, automation helps you streamline the bill-paying process and ensures you pay your bills on time.

However, just because paying bills can be automatic doesn't mean you should forget about it. You still need to monitor the transactions to make sure you have enough money in your account to cover the bills and that no errors are made, such as being charged twice or charged an incorrect amount. It takes some work on the front end, but by organizing and streamlining your payment process, you'll ensure you pay your bills on time every month.

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