Develop a Debt Reduction Plan

Make several copies of this worksheet—one for each company or credit card company to which you owe money. Then, list the interest rate, how much money you owe to each creditor, and how much you will pay off each month.

Using a Debt Reduction Plan you will soon see the amount you owe decrease, as you make steady payments. It will shrink even faster if you pay something extra whenever you can.

- Put your worksheets in order with the highest interest rate first. You will pay down your debts faster and reduce your interest charges, if you pay more on the debt with the highest interest first.
- Or you can pay the creditor with the smallest balances first to get rid of them and see progress in reducing the number of creditors you owe. This is like a stair-step to financial success.

When you've paid off one debt, congratulations! Celebrate your progress, and then start using that money to pay off another debt.

Interest Rate and Debt Payment Worksheet				
Creditor:			**Debt is for:**	
Interest rate	**Amount owed**	**Monthly payment**	**Payment due date**	**Amount paid and date**