



5 Holiday Mistakes That Could Cost You

The holidays are just around the corner, which means it's time to enjoy vacations, catch up with family and old friends, and eat great food. While the holidays are about quality time and making memories, it's easy to get caught up with spending money. Here are five holiday mistakes to avoid this year so you can enjoy the season with your finances intact:

1. You're shopping without a budget or list.

It's incredibly kind to get each of your relatives, colleagues, and in-laws thoughtful presents and cards to show them your appreciation, but your wallet might be crying for help after your first few purchases. One of the biggest financial mistakes you can make during the holidays is shopping without a spending plan.

When you're shopping for loved ones, you're imagining how happy they'll be when they receive your gift. But remember, financial responsibilities don't go on vacation during the holidays. Create a budget for your holiday spending. Once you know how much you can afford to spend, create a list that fits your budget.

This way, you'll be able to purchase the items you plan for and know for sure that you didn't bust your budget. Here's a free holiday budget printable to get you started.

2. You're volunteering your home, food, and car to everyone.

If you're the person that always offers food, transportation, and lodging to everyone, you might want to try a new approach this year. It's thoughtful to go the extra mile during the holidays, but don't stretch yourself or your pockets too thin.

Consider splitting the responsibilities with your friends and family. You might not think you're overspending by being so accommodating, but the more people there are in your home, the more likely you are to receive a high utility bill at the end of the month. You'll also be surprised at how many trips you might have to make to the grocery store to restock on food, drinks, and toiletries.

You can suggest hosting a potluck style gathering this year. With a potluck, each guest is responsible for bringing at least one dish, beverage, or party supply. At a minimum, you'll save money on food and drinks. If you need napkins or disposable utensils and plates, you can make one guest responsible for those items as well.

If you have a ton of relatives who need to be picked up from the airport or train station, see if you can rope in other family members to help with pick-ups and drop-offs. This will help you save on gas, time, and energy.

Splitting responsibilities will help you enjoy the holidays without being completely stressed out.

3. You're shopping too late.

So you've created your list and a tight budget, that's great! Don't wait until the last minute to actually make your purchases. By then, sales may be over and supplies will be limited.

Start your shopping early so you can snag deals while they're still available. When you have ample time to cross items off your list, you'll have time to compare prices and bargain hunt. Some stores offer price matching, so keep that in mind as you start shopping and placing your online orders.

Time is of the essence. Shopping early will give you time to figure out what you actually need and get those items at the best price. When you wait until the last minute, you're much more likely to bust your budget because you'll just be rushing to cross people off your list instead of specific items that fall within your budget. Here are some tips to help you save while you shop.

4. You're relying on your credit cards.

Do your best NOT to rely on your credit cards during the holidays. If you can't afford to buy it now, don't create a bill for yourself later. Once the holidays are over, you'll be faced with a potential mountain of debt that you've built.

The holidays are a great time to enjoy the company of your loved ones, but you shouldn't feel like the only way to show your love is through expensive presents and festive decor. Enjoy the holidays in a way that doesn't destroy your finances. This year, make it a goal to spend quality time.

If an unplanned expense does occur during the holidays and you have to use your credit, here are some tips for using your credit card.

5. You're trying to keep up with the Joneses.

Don't make the holidays a competition about who can wear the most expensive clothes, buy the flashiest gifts, or serve the swankiest dinner. Make the holidays about creating lasting memories and enjoying time with your loved ones, or simply yourself.

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