



Top Tips to Save You Money

1. Check if You Qualify for Government Benefits.

The government has free programs to help with food, childcare, housing, and cash to meet your basic needs. Go to mnbenefits.mn.gov to see if you qualify and how to apply.

2. Don't Use Payday Lenders to Borrow Money Against Your Paycheck

There are "payday lenders" who offer "payday loans." They are not banks. They operate out of stores or over the internet. A payday loan means they give you a short-term loan until your next paycheck. You write a personal check against your next paycheck. OR if your paycheck is direct deposit, you give them permission to take the full amount of the loan plus the fee out of your bank account. These loans come with very, very high fees.

They are advertised as loans for emergencies, but it is very hard to pay back the loan and the fees and still have money for bills. So, most people take out one loan after the other and fall farther and farther behind. **These loans are very dangerous to your finances, and many are illegal.**



3. Don't Purchase Big Things on Credit

It's ok to use your credit if you can pay it off at your next bill. That can help build your credit score. But if you won't be able to pay quickly, it is better to save money until you can pay the full price. Most businesses that offer financing or credit cards charge a high interest rate. This means that by the time you pay it off, you have paid a lot more than the original price.

4. If You Have Unpaid Debts, Get Help

Being in debt is confusing and depressing. But you can get help to make good choices. There are places that help with things like budget plans, repayment plans or decisions about bankruptcy.

Contact Lutheran Social Service of Minnesota for credit counseling services:

Phone: (888) 577-2227

Email: lssfinancialcounseling@lssmn.org

Website: www.lssmn.org/financialcounseling/contact/contact-financial-counseling

Or call the [National Foundation for Credit Counseling](http://www.nfcrc.org) at (833) 746-7578.

Watch out for "credit repair" schemes that tell you to do things that are illegal or charge you to do things that you can do for free.

If you want to know more about your own debt and credit situation, check your own credit report. You can get a free copy every year at www.annualcreditreport.com. See our fact sheet [Credit Reports](#) and read the [Minnesota Attorney General information on Credit Reports](#).

5. Get a Bank Account

Check cashing businesses are very expensive to use. Shop around for a **bank or credit union** with free or low-cost checking and savings accounts. Check if there are ways to avoid fees. It might be things like keeping a certain amount of money in your account or setting up automatic direct deposits. Many credit unions are open to anyone in the neighborhood and sometimes have better offers than banks do. You may want to start with a small savings account.

If you have a bank account, you can usually cash checks for free. You save money on check cashing fees, and you can improve your credit rating. If you get an ATM card, be sure to keep track of what you spend so you don't spend more than is in the account. ATM fees can add up fast!! You can avoid these fees by using ATMs owned by your bank or credit union.

If you use checks, don't write a check for more than you have in the account. The bank AND the person you wrote the check to can charge you fees. Fees can be \$35 or more. These fees add up and can make your next checks bounce too. Writing a check for more than you have in your account can also be a crime.

6. Track Your Expenses and Make a Budget

It helps to know exactly where your money goes. Keep all your receipts for a month or 2. Sort them by the kind of expense (food, gas, bills etc.) Add each group up to get an idea of where your money goes. Think about if there are ways to change your spending to meet your financial goals.

Fill out a budget sheet. A consumer or home ownership counselor can help you budget, or you can do it yourself with the form attached to this fact sheet.



7. Spend Less

Think about the little things you can do without. Little things add up to a lot. One can of pop a day can cost over \$300 a year. Bring lunch from home instead of buying something.

Before you buy a more expensive item like a tool, an appliance, or sporting goods, ask if you could borrow it from a friend or relative. Or think about if you can do without it until you have more money.

8. Get Your Car Loan from Your Bank or Credit Union / Look Around for Best Rates

When you finance a car loan with the dealer, the dealer often makes money on the loan. They may make more money if they give you the loan at a high interest rate. A local bank or credit union can often give you a better rate. Shop around for the best price for the car like you are going to pay cash, then compare that to bank and dealer rates.



9. Lower Your Utility Bills

Call your utility company and ask for a free energy audit. They come to your home and show you where you are losing money. They give you tips and supplies to weatherize your home. This can lower your bill a lot. Find out about Energy Assistance at mn.gov/commerce/consumers/consumer-assistance/energy-assistance.

Pay your bills on a budget plan – where you pay the same amount every month. If you do this, you won't get big bills in the winter that you can't pay. Turn off lights, TVs, computers, and stereos when you are not using them.

10. Lower Your Phone Bill

If you have a cell phone, shop around for the best plan. Make sure you get all the information you need and compare services. You can also look into buying a used cell phone instead of a new one or leasing a new one.

If you have a low income you may qualify for discounted or free landline or cell phone service.

Go to www.lifelinesupport.org to see if you qualify and how to sign up. You can also call your local phone service provider and ask about lifeline service.

11. Lower Your Insurance Bills

If you have car, home, or renters' insurance, call around to compare insurance prices every year. Many insurance companies raise their prices each year, so it can help to compare prices each time your policy renews.

12. Make Sure You're Not Paying Too Much in Taxes

File your taxes on time and correctly with help from free services. You can find them in your area by calling the MN Department of Revenue hotline at (651) 296-3781 or (800) 652-9094. Or check online at <https://www.revenue.state.mn.us/free-tax-preparation-sites>.

You can also file your taxes yourself using free tax preparation software. Check online to see which software is free for people with certain incomes: <https://www.revenue.state.mn.us/free-electronic-filing>.

Make sure your payroll withholding is right. Pay what you owe when you owe it to avoid penalties and interest and seizure of your income and property. If you can't pay it all right now set up a payment plan with the IRS and/or state.

If you don't agree with what the IRS says you owe, Legal Aid might be able to help you for free. Call 1-877-696-6529.

Be wary of "tax fixer" advertisements offering miracle results because such services may not be operating according to law. They can charge a lot and may not give much help.

13. Think About Home Ownership

Owning your home may save you money. But buying a home is a long term and complicated commitment. You need expert help to get a good loan and to make sure the house is in good shape and the price is right. If you don't get help, you can lose your home and your money. You also need to make sure you have enough money to pay for repairs and other costs.



Talk to a homeowner counseling program in your area. They make sure you learn about any programs to help buy a home and tell you how to handle the financing. Find out what you need to do to get a home, and don't buy until you are fully informed and ready.

To learn about Contracts for Deed and Rent to Own deals see our fact sheet [What You Need to Know About Renting to Own and Contracts for Deed.](#)

To get help and information about buying a home call:

- **United Way 2-1-1:** dial 211 statewide. You can also text them your zip code at 898-211 for help in your area or chat online at www.211unitedway.org.
- **[Minnesota Home Ownership Center](#):** call (651) 659-9336 in the metro or (866) 462-6466 outside the metro.

14. Don't Use Pawn Shops

The pawn shop pays you much less than your goods are worth, and charges very high interest. If you have to sell something, sell it someplace else. Sell to neighbors and friends, put a sign up on local bulletin boards, or try online. When you have money again, you can buy a replacement.

15. Don't Use Rent-To-Own Stores

Most rent-to-own deals are not good. By the time you make your last payment, you may have paid 2 or 3 times what the item was worth. You are much better off saving money and paying cash.

Fact Sheets are legal information NOT legal advice. See a lawyer for advice.

Don't use this fact sheet if it is more than 1 year old. Ask us for updates, a fact sheet list, or alternate formats.

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MONTHLY BUDGET

MONTHLY INCOME	
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BASIC MONTHLY EXPENSES	
Rent / House Payment	
Property Taxes and Insurance	
Heat	
Electric	
Phone	
Water / Trash	
Internet / Wi-Fi	
Home Maintenance (cleaning, repairs)	
Car Payment	
Car Insurance (divide by 12 months)	
Car Maintenance	
Car Registration (divide by 12 months)	
Gas / Parking	
Bus and Train Fare	
Child Support Payments	
Child Care / Babysitting	
Food / Groceries	
School Supplies / Kid activities	
Medical Bills	
Debt Repayment	
Laundry	
Pets	

TOTAL BASIC EXPENSES	
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FLEXIBLE EXPENSES	
Restaurants/Fast Food/Food Delivery	
Beer, Wine, Liquor	
Your Clothes	
Children's Clothes	
Cable TV/ Streaming Services	
Shopping	
Gifts	
Movies, Videos	
Entertainment	
Haircuts, Beauty	
Lottery, Bingo, Gambling	
Cigarettes	
Charity, Donations	
TOTAL FLEXIBLE EXPENSES	

TOTAL EXPENSES (add totals on front and back)	
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Subtract your TOTAL EXPENSES from your monthly income. If your total expenses are higher, you need to start spending less. Start by cutting back on things on your flexible expenses list, maybe eat out less or cut off your cable TV.