

## How to stick to your New Year's money resolutions

Written by (StatePoint)

Friday, 09 December 2011 16:15

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Each year, Americans make well-intentioned resolutions to improve their lives and livelihood. From eating to exercise, personal growth to professional advancement, we love setting our sights on goals and reaching them.

This year, why not tackle some personal finance hurdles in your search for better living?

“Goal-setting strategies are often the best way to improve your financial standing,” says Aaron Forth, Vice President and General Manager of Intuit Personal Finance Group.

Here are some money resolutions to consider in the New Year:

### **Eliminate Debt**

Carry a balance on your credit card or have an outstanding loan? These debts can keep you from doing what you really want -- and paying them off will allow you to pursue your real interests.

But where do you start? One strategy is to first tackle the debt that has the highest interest rate. Once that is paid off, move on to the next highest interest debt, and so forth. This way, you're making more progress by reducing how much of your money goes to paying monthly interest.

### **Create an Emergency Fund**

In this economy everyone should have an emergency fund. Most experts recommend having enough to cover three to six months of expenses in case of job loss.

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If you're just starting to build an emergency fund, remember that something is always better than nothing, even if that something is just \$50 a month. The best place to stash an emergency fund is a high-yield savings account.

### **Budget, Budget, Budget!**

Frugal living is the key to building wealth, and the key to frugal living is budgeting. There are many tools that can help you budget, both for the on-the-go techie or the traditionalist. For example, the free personal finance website Mint.com enables you to set up a budget with clear charts that indicate how much you have to spend, receive email and SMS alerts when you're nearing your limit, and download a mobile app to help you track finances on-the-go.

For those who prefer software over webware, Quicken is a popular choice that makes it easy to manage finances and achieve goals. Its updated bill reminders tool, enhanced budgeting feature and new debt reduction tool help users eliminate debt in the New Year and plan for the future.

### **Maximize Retirement Savings**

If you live have a 401(k) plan at work, be sure to maximize your employer's match by contributing as much as you can: that match is as close as you'll get to free money. And if you qualify for a Roth or Traditional IRA, you can stash away another \$5,000 (\$6,000 if you are 50 or older). These are just a few money resolutions you can choose, depending on the needs of your family. The most important thing is to create realistic goals and choose the tools and resources that let you stick to them!