***Tips for Holiday Spending***

**1. Set a realistic holiday spending plan and stick to it.** Use a budgeting tool to figure out how much you spend in a month on essentials like rent, utilities, and groceries. Based on what is left, decide how much you can afford to spend this holiday season without going into debt. Don’t forget to add incidentals such as wrapping paper, cards, decorations, and charitable contributions as part of your spending plan.

**2. Open communication with family and friends will assist with expectations**. Make a list of what you need to buy, who are you buying for, and how much will it cost. Maybe this year you consider a gift exchange to limit the number of gifts that need to be purchased. Your loved ones want your presence, not presents. No one wants to see you go into debt and be stressed unnecessarily around the holidays.

**3. Alternative gift options.** Consider homemade gifts as a meaningful way to give. What about giving a unique experience such as a class that you can take together or a subscription service that can last all year long. You can also “gift” someone your time by offering to do something for them such as running errands, babysitting, or cooking.

**4. Track your purchases**. If tech savvy, use an Excel sheet and put all of the gift recipients, how much you budgeted, how much you spent, and the purchased gift. This way you have a record, and it can be adjusted as needed. Start saving in the new year by setting aside money each month to reduce holiday spending stress.

**5. Shop Smarter.** When you are out shopping for the holidays, know your spending limit. Buying gifts with cash saves you from the temptation of using a credit card and spending more than originally intended. It will also avoid interest or late fees that will make paying off gifts last long past the holiday season. Credit cards can help you gain rewards or cash for your spending as long as they are used responsibly. Check out sales offered both online and in-store; many online retailers offer coupon codes to save on shipping or percentages off purchases.

**6. Be cautious of ‘Buy Now and Pay Later’ (BNPL) payment options**. BNPL is a new way to defer payments by allowing you to purchase items with little or no money upfront followed by installment payments. You do not get credit for making payments on time, but it may affect your credit score if you miss payments. It is easy to overextend your finances thinking you can pay it off later.

**7. Consider gifts from benevolent organizations.** There are a lot of wonderful organizations who seek to support Military Survivors and provide holiday gifts. Allow them to help you at the holidays. Talk to your local Survivor Outreach Services (SOS) Coordinator about resources in your area. Find your coordinator on the SOS Webpage: <https://dcsg9.army.mil/safr/sos/sos.html>

Ooops! Have you already spent more than you should? Your SOS Coordinator can also help you connect with one of the Army’s Personal Financial Managers or Counselors.