

Stop Saving Money!

By Leo J Quinn Jr

Stop Saving Money!

Leo J Quinn Jr
Leo@LeoQuinn.com

LeoQuinn.com <http://www.leoquinn.com>

No, that's not a misprint. Even though falling interest rates are good when you want to get a loan, they are bad for people with savings accounts.

In this economy your best investment, the best place to put your money is into paying off debts. Think of it as investing in your debt because that is exactly what you are doing.

If you put \$1,000 into a bank savings account earning 2%, at the end of a year you will have \$1,020.

If you carry a \$1,000 balance on a credit card with a 19% interest rate, and you pay the minimum monthly payments, at the end of one year you will have paid \$190 in interest.

If you get \$1,000 in a tax refund, small inheritance or from somewhere else you now have a choice to make. You can earn 20 bucks in a savings account or save \$190 by paying off that credit card. Keep in mind that your 20 bucks is taxable income so you'll be left with \$15 or so after taxes.

Do you need a savings account for emergencies? That savings account may be causing those emergencies! Think about it this way...

If you are earning money in a savings account at 2% and paying anything over 2% on your debts you are sliding backwards financially and you'll never get ahead. It's basic mathematics.

If you earn 20 bucks for five years in your savings account you'll have \$100. If you pay \$190 in interest on your \$1,000 credit card after five years you will have paid \$950 in interest charges.

In other words you have wasted, lost, burned or flushed \$850 by having a savings account. ($\$950 - \$100 = \$850$) OUCH!

What can you do? Pay off that credit card and use that as your emergency fund. It's not the best way to do it but it's better than earning 2% and paying anything over 2%.

So, while the stock market is on it's roller coaster and the economy is challenged your best investment, bar none, is your debts! Get them paid off!

Leo J. Quinn, Jr. is a financial educator from the Albany, NY area. For the last five years he has been showing people how they can get completely out of debt (including a mortgage) in under 10

years. He has been stunning audiences by showing them that paying off their highest interest rates debts first and/or paying extra on more than one debt is the SLOWEST way to get rid of those debts. He has a special offer for readers of this newsletter at <http://www.LeoQuinn.com/an.html>

[Get-Articles.com : 1000's of reprintable business and internet marketing-related articles.](#)

[Submit your article for reprint.](#)