

# Holiday Hints

## Saving Money For The Holidays The Simple, Safe And Smart Way

(NAPSA)—As the temperatures begin to drop, concern about saving enough money for holiday shopping rises. If that description fits you, you're not alone. SWR Research revealed that 72 percent of Americans—more than 156 million adults—do not feel very satisfied with the amount of money they are saving or investing. To put their minds at ease and give them a jump start on saving time and money for the holiday season, many consumers are turning to direct deposit and direct payment.

Direct deposit and direct payment are simple, safe and smart financial tools that can help consumers manage their finances. Both financial tools are generally free to use and can be set up to handle transactions automatically.

### Direct Deposit

During the holidays, time becomes especially valuable, as we try to visit with family and friends, shop, wrap gifts and prepare meals. Lines everywhere seem to grow longer, including lines at the bank. Using direct deposit can help consumers spend less time at the bank and can free up more time for other activities, all the while helping them save all year long for holiday expenses.

Direct deposit, the electronic transfer of a payment from a company or organization into an individual's account, is used by more than 70 percent of Americans to



**You've Got Mail—The average family receives 20 bills a month.**

receive payments regularly. However, many do not realize that they can divide these payments between different accounts, such as a checking and savings account, so as to “pay themselves first” automatically. Consumers using this option do not have to manually transfer funds between accounts and can build savings or invest funds effortlessly.

### Direct Payment

A survey by Opinion Research Corporation found that more than 40 percent of consumers were so busy that they missed mailing a bill on time. The average family receives approximately 20 bills per month. If just one payment is missed each month, and a late fee of \$25 assessed, a family could end up spending \$300 every year on late payments.

Direct payment is the predetermined, automatic electronic trans-

fer of a payment from a consumer's account for a regularly scheduled payment such as a recurring bill, savings or investment contribution. Using direct payment to make sure bills are paid on time, every time, is a smart way to manage finances. Using direct payment to build a holiday savings account is a gift to your budget at the end of each year.

In addition, part of a person's credit score (which is used to determine loan eligibility and interest rate) is determined by timely payments. Maintaining a good credit score is another reason to use direct payment. Bills are paid on time, every time, regardless of the season.

Available for more than 30 years, direct deposit and direct payment are reliable, trusted and convenient methods of managing financial transactions. In 2004, more than 4.2 billion automated clearinghouse (ACH) payments were made via direct deposit, many of which were payroll, pensions and Social Security payments. Likewise, more than three billion payments were made via direct payment for things such as mortgages, loans, utilities and club memberships.

For more information on direct deposit and direct payment and to learn how they can help you manage your finances, visit [www.directdeposit.org](http://www.directdeposit.org) and [www.directpayment.org](http://www.directpayment.org).