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## Four Ways You Can Become Debt Free with the Spending Diet

**Summary:** *The Spending Diet will help you cut back your expenses so that you can reach your financial goals faster and easier.*



You have been paying back your student loans for several years when you realize how close you are to being debt free. You do the math and determine it is possible to be debt free in one year if you tighten your budget a little more than normal. While the idea of cutting back your budget to the bare bones is never something to jump up and down about, being without debt is worth it.

- See **Financial Freedom Leads to a Happy and Successful Life** for more information.

Anna Newell Jones first introduced the idea of the Spending Diet through her program. Her program sets a limit of \$100 a month for non-needs and then everything else in your income goes to needs like rent, basic food, insurance, etc.

In order to make your new budget a success, follow these tips:

1. Know your triggers

Pay attention to what circumstances or places cause you to spend more such as going to the mall or after a bad day at work. While we may want to reward ourselves for surviving a stressful project, doing so with a prize won't allow you to save much money.

2. Stock up

Keep items in your home that are your current splurges like coffee, tea, food for dinner, and drinks for happy hour. Invite friends over occasionally to have happy hour at your place instead of paying the higher prices at the restaurant.

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### 3. Know your budget

With \$100 a month to use on non-essential items (which calculates down to \$25 a week), you need to understand what \$25 a week turns into. That can be coffee out each day or one decent meal out. Being able to know how far your budget can reach will help you know what you can and can't afford.

### 4. Pinterest

The great part about Pinterest is that you have a secret board that you pin to for your motivation to keep going on your spending diet. Fill the board with "debt-free dreams" of places to travel, new food, adventures, etc. that will help you stay motivated towards your goal of eliminating your debt. Without a purpose or motivation, it will be easy to get off track.

Photo: blog.equifax.com