



# PAY YOUR WAY OUT OF DEBT WITH POWERPAY

*During the coronavirus emergency, many have realized that they probably should have paid more attention to their finances before the virus struck. But let's forget "shoulda, woulda, coulda," and use some of this down time to put together a plan to reduce debt when things get back to normal. PowerPay, a debt reduction computer program, is an easy tool that you can use to develop a plan.*

## **What PowerPay Can Do**

PowerPay will create a debt payoff plan you can follow to get out of debt faster and save money on interest payments.

The plan will show you:

- Who to pay each month until your debts are paid off.
- How long it will take to pay off your debts paying the amounts you currently pay.
- How PowerPayments can help you pay off debts faster. PowerPayments is the practice of using payments that previously went to debts that are now paid off to pay down remaining debts. This can save hundreds of dollars in interest.
- The effect of using a lump sum of "extra money" – a tax return or a bonus, for example – to pay down debt.



## What's Needed to Use the Program

To get results from the PowerPay program, you'll need to gather the following information about each of your debts: who you owe; the balance that you owe; how much you pay each month; and the interest rate you are paying (annual percentage rate, or APR). Write this information down so you'll be ready to enter it into the program.

## Learn More and Access PowerPay

PowerPay was created by one of our Cooperative Extension partners, Utah State University. It is offered at no cost. To access PowerPay, go to [powerpay.org](http://powerpay.org). At the site you will find great videos that provide more information about the program and demonstrate how to use it. Click the full-screen image when watching the "How to Use PowerPay" video to get a better view of the program functions. Once you access the site, you will see other tools, including one to help you create a spending plan (budget).

PowerPay can help you pay your way out of debt. You have nothing to lose but the headaches that debts can cause, so try a dose of PowerPay to get rid of the headaches!

*PowerPay information is provided as a general guide for decisions and assumes the consumer does not take on new debts or charge any items on accounts that cannot be paid that month. Many factors may influence actual results. User accepts full responsibility for decisions.*

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