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## **Crucial Steps You Can Use To Take Control of Your Finances in 2022 and Beyond**

As the old saying goes, "If you fail to plan, you plan to fail." Whoever coined that phrase was absolutely talking about finances, whether they realized it or not.

[According to one recent study](#), a general lack of financial education costs Americans a collective \$415 billion every single year. Not only is the average amount of credit card debt that someone carries over \$6,000 according to the same source, but roughly 40% of people report having less than \$300 in their savings accounts. This issue has only been exacerbated by the COVID-19 pandemic, where people have needed to draw from whatever money they have saved up to make ends meet.

Having said that, all hope is certainly not lost. There are several important steps that anyone can use to take control of their finances in the new year — it simply requires them to keep a few key things in mind along the way.

### **The Path to a Better Financial Future Begins Now**

By far, one of the most effective ways to build a better financial future for yourself involves taking advantage of the myriad of different services that most banks have to offer. When you log into your preferred banking app of choice, for example, you're normally greeted with reminders — which, if you're like most people, you probably ignore — of the advanced services that are available. You should really pay more attention to them, though, as some can help perform an automatic credit check to help clue you in on when issues arise with your credit report immediately. You can set up automatic transfers from your checking into your savings account to help save as much money as possible with each paycheck. A lot of banks even offer free financial planning services provided that you already have a line of credit with them. Regardless, these are all tools that should be taken advantage of. Another one of the best ways to take control over your financial situation in the new year involves making a proactive plan about what you're going to do with your tax refund before you get it. Yes, it's true that virtually nobody looks forward to doing their taxes. Yet at the same time, it's a necessity — and it's also only a negative situation if you allow it to be one.

Use January as an opportunity to take stock of your current financial situation and think about where that potential refund money could do the most good. Are there certain high-interest credit cards that you could use assistance in paying down? Would it be helpful to put it toward a mortgage payment to free up funds for something else? Is there a potential high ticket purchase that you've been trying to save up money for? These are all important questions to be answered.

The point is, you should think about what you want to put that money toward now so that you're not caught off guard by the tax refund check's arrival in the mail. It's easy to let the adrenaline of getting that big check take over for your common sense — but it's not always the wisest move to make.

Beyond that, always remember that your financial goals need to be specific, realistic, and significant. You should also make sure that whatever goals you set for yourself are measurable. You're always going to have setbacks — all of us do. But once you start to measure the progress you're making toward your goals, you'll begin to get a better sense of how far you've actually come. That feeling will soon start to generate its own momentum, which will continue to fuel all of your efforts well into the new year and beyond.

If you'd like to find out more information about the important steps that you can use to take control of your finances in 2022, or if you have additional questions that you'd like to go over with an expert in a bit more detail, please don't hesitate to contact our office today.

