

5 Tips to Cut Spending Leaks

Sometimes it's the little things that add up. Stopping the small spending leaks in your life may amount to significant savings over time.

1. Turn off the television. Premium cable and satellite subscriptions can cost anywhere from \$500 to over \$1,000 per year or more. If you find that you're not using the premium channels that often, it may be worthwhile to downgrade your service.

Even if you do use many of the premium channels, it is worth your time to call your provider and inquire about discounts or promotions. If they know you are shopping around or considering a plan reduction, you may be able to obtain a temporary discounted rate.

2. Trim your subscriptions. Do you subscribe to magazines that you rarely have time to read? Maybe you subscribe to one of the DVD mail rental services but only watch one or two movies a month. How about that gym membership you purchased as part of a New Year's resolution that you don't use?

These subscriptions can slowly drain hundreds of dollars from your wallet every year. Individually, they don't seem very costly. But over time, many of these underused subscriptions are costing a lot of money. Evaluate what you really use and don't use and get rid of the wasteful subscriptions.

3. Avoid banking fees. Banks are regularly changing their products and you may be paying a monthly fee without thinking twice about it. On top of monthly fees for accounts, watch out for fees associated with overdraft protection, paper statements or excessive transactions.
4. Pay your bills on time. This may seem like common sense, but it is easy to forget a bill and end up with a late fee. These fees can be substantial, ranging anywhere from a few dollars to \$40 or more. If you have trouble keeping track of due dates, check into automatic electronic payment plans that might be available.
5. Keep eating lunch out at a minimum. Eating out can be costly, and for many busy professionals it is almost a necessity. Did you know that spending only \$6 a day on lunch while at work can cost nearly \$800 per year? If your spouse spends the same amount on lunch, you are spending almost \$1,600 per year just on lunch! (That's half a trip to Mexico!)

Try to cut back on buying lunch out by bringing a lunch just two days a week to start. Even this can save a few hundred dollars a year. Not only does it save money, but generally, a bag lunch from home will be better for you compared to what you normally eat when going out.