

10 points of advice when handling money

- Make a budget so you know all about income and expenditure.
- Set aside in a **savings account** – whenever possible – a **fraction of the 13 month salary** for **unforeseen events** such as e.g. dentist's bill or the replacement of the TV that does not work anymore.
- Reduce the expenditure of regular payments by using standing orders and Lastschriftverfahren (direct debit), for example for rent, health insurance, day care, cell phone bill and so forth.
- Also pay also income tax and insurances monthly with standing order or direct debit.
 - Pay your taxes in monthly instalments to the tax authorities directly.

Taxes are a great expenditure. Get information via the internet or the tax people on the amount to be expected for the current year. Here you can find out, how much tax you will have to pay:
<http://www.estv2.admin.ch/d/dienstleistungen/steuerrechner/steuerrechner.htm>
 - Fill in your tax form or have somebody do it for you. Failure to hand in your tax sheets results in a fine and a higher rating.
- Make monthly transfers into a savings account as a reserve for holidays, larger acquisitions and yearly bills.
 - ▶ What remains on your pay roll account is the monthly amount for living (food, hobbies, clothes....)
- Rent including additional costs should not exceed 25 percent of the income.
- Customer and credit cards are practical, but people often spend more with them than they should. With several cards it is difficult to keep a grip on the expenditure. Please only use one or no credit card.

- It is not always easy to be insured correctly. Check your insurances for over- or under-protection.
- Check the raising of a private loan or lease agreement very carefully.

Check at least the following:

- Is my budget realistic?
- What budget changes do I have to account for during the term of the contract?
- Does my budget guarantee the monthly repayment during the whole running time?
- How can I live up to the commitment if my finances worsen (unemployment, separation/divorce etc.)? Will there be any protection from the Kreditratenversicherung (credit default insurance)?
- What will happen if I break my contractual obligations? What would that mean for me?
- Be careful with private brokers: some of these people are mainly interested in the conclusion of contracts as they cash provisions for them.

A lot of these questions cannot be answered easily. For this reason we advise you to contact the professional help of a budget- or debt advisory centres before signing such a contract.

- Should you – for whatever reasons – not be able to comply with your payment obligations, we advise you to go to a budget- or debt advisory centre.

www.budgetberatung.ch

www.caritas-schuldenberatung.ch

www.schulden.ch

Information

Examples for budget
in every way of life (family,
single parent, students....)
Budget proposals

Prevention and financial education
Saving suggestions
Credits / Leasing
Enforcement / seizure
Debt restructuring / private bankruptcy
Specimen letters

Addresses

Budget advisory centres

Debt advisory centres

Further places to get help

Social services of the community you live in, youth- and family advisory centres, Caritas