Organizing Bills: Creating Good Bill Paying Habits

Organizing bills is a project that can save you time and money in the long run. While the actual task of organizing bills isn't exactly fun you only need to think about the money you will save in late fees and service charges to smile.

We are all creatures of habit. Consider our morning routine for getting our day started. We get ready the same way every day. Why? Because it works! When it comes to simplifying and organizing bill paying, establishing routines and being consistent will give you peace of mind as well as a level of efficiency for a recurring task that cannot be avoided.

Tip #1 for organizing bills: Develop habits and routines

- Create a home for your bills when they arrive. You can use a basket, file or an expanding wallet, but safely store them until they're ready to be paid.
- Pay your bills on a regular basis. If you get paid twice a month, then it makes sense to pay your bills that often as well.
- Take a seat and pay your bills in the same place every time. This might be at your kitchen table or in front of your computer in your home office. If you take your bills to work with you, keep them separate from work-related papers.
- Keep all necessary supplies for bill paying together. The obvious things like stamps, envelopes, return labels, a stapler, pen and calculator should also be handy. This will keep you focused on your task thus saving time looking for things.
- Whether you pay online or write your checks each month, record your payments immediately, either in your checkbook or in a software program. Keeping your balance current will help you avoid overdrafts.

Tip #2 for organizing bills: Use auto bill pay

- Payments are automatically withdrawn from your account on an agreed upon specified date.
- Most companies send a paper or electronic notice of the transaction several weeks prior. Be sure to record this in your checkbook register when it arrives.
- Examples of recurring bills that can be automatically withdrawn are: utilities such as electric, gas, water, garbage, sewer, phone, internet and insurance payments such as car, life, disability, health, renters and homeowners. And let's not forget mortgage and car loans.

With these simple steps you will be on your way to organizing your bills and saving money in the process.

By: Audrey Thomas