

The Breathing Room Calculator

Kill the bills. Create breathing room in 3 steps.

Your refund is a tool— don't let it disappear. Use it to **wipe out the high-interest debt** that's stressing you out and start keeping more of the money you earn.

Step 1: The Audit

List your current monthly payments.

Debt Name Example: ABC Bank	Balance Example : \$1,200	APR (%) Ex: 29.9%	Min. Monthly Payment Ex: \$65

Step 2: The Target

Look at the APR column. Circle the debt with the highest percentage.

Highest APR: _____ **Monthly Payment:** _____

Step 3: The Payoff

Commit your lump sum (e.g. tax refund) to the Target.

Lump Sum Used: \$_____

Monthly Bill Erased: \$_____

New Monthly Breathing Room: + \$_____

Every dollar you stop paying in interest is a dollar that belongs to you again.



Payoff Strategies

The Debt Avalanche (The Vera Math Choice)

Attack the highest interest rate (APR) first.

- The fastest way to gain breathing room in your budget. By killing "expensive" debt first, you keep more of your money **where it belongs: with you.**

The Debt Snowball

Pay off the smallest balance first.

- A "quick win" for your ego, but a loss for your wallet. Paying a 0% balance while a 29% balance grows is an expensive mistake that **costs you more in the long run.**