

OPRAH'S DEBT DIET

Lower Your Interest Rates

Call your credit card companies, tell them you've got offers for cards at lower rates and ask them to lower your rate. Not sure what to say? Follow Jean Chatzky's script:

"I have [name of card] with you and my interest rate is [X] percent. I received another offer in the mail from [other bank's name] for [X] percent, but before I take it, I want to see if you can lower my interest rate instead."

If the representative says they're not authorized to do that, you say:

"Look, you and I both know that if I transfer my balance today, next week your bank is going to send me an offer to come back at an even lower rate. Why don't you just save the bank the cost of that effort by giving me several points today?"

If the rep says it's not possible because your credit card is at a fixed interest rate, you say:

"Actually, that doesn't have anything to do with whether or not you have the ability to lower my interest rate. A fixed interest rate only means that my rate doesn't vary with fluctuations in the prime rate. In fact, the bank can raise it on my account at any time by just giving me 15 days written notice. And the bank can, if it chooses, lower the rate today."

If the rep still says they're not authorized to do that, you say:

"I'd like to speak to your supervisor."

Then speak to a supervisor and follow the above script again.

Please note: This is general advice. You should consult with your own financial advisor before making any major financial decisions, including investments or changes to your portfolio. Harpo is not responsible for any losses, damages or claims that may result from your financial decisions.

Reprinted from *Pay It Down!: From Debt to Wealth on \$10 a Day*, by Jean Chatzky, by arrangement with Portfolio, a member of Penguin Group(USA) Inc. Copyright © Jean Chatzky, 2004.