

## The advantages of bill consolidation

Looking at the advantages of bill consolidation

Bills, it is something that everyone around the world just dreads. It is the one thing that the end of the month is known for, and in fact many people do not even look forward to their paycheck knowing that it will just be spent on bills. It is a problem, and statistically it is said that there are more people around the world that are in debt than there are people that are not, which is a really scary thought. This is why the governments around the world started what is called a credit act, and why banks started what is called debt consolidation or bill consolidation. And further in this article we will look at the advantages of bill consolidation. It is a very simple thing, though many people do not really understand this. Many people are head asking why they should take out a loan to pay another loan. This is just not thought of, as we were all brought up taught this, it is just a silly thing to do.

This is why so many people think that the banks are just out to make money; they know that people were brought up learning that they should not pay a bill by making another bill. What many people do not know is that this is not what is happening. You are not taking out a loan to pay off another loan, on the surface it looks this way, but it is a way of helping if you get into the details of the whole process. Yes the bank you are consolidating you bills with is making some money from your trouble, but they will not be in business if they didn't, it is called paying for convenience and it is exactly like paying extra for bread at a shop that is open 24 hours a day, it is convenient, you can go there any time of the day. So the bank will take some money as profit for helping you, you would do the same. Now that this is out of the way we can go on with the actual advantages of bill consolidation.

This is very simple, and in fact I do not see why everyone is doing this. It works like this: let's say that your monthly bills come up to about \$2000 a month. Now this does not include your home rental and telephone bill, because there just is no end amount that you need to pay for these. So you need to dish out \$2000 a month, and your total bill amount is \$40000. This is where it gets interesting, and where many people get lost. You will put all your bills together in a bill consolidation account, where the bank you choose will pay your bills for you. But the best part is that you do not need to pay \$2000 anymore, because you are paying only on bill, with one interest rate. So you will pay something like \$750 a month, which brings down your monthly installment, but you will end up paying about \$52000. But what is that over a period of ten years, you have been helped, that is priceless.

### About the Author

Tyler Lee is the author of this article on [bill consolidation](#). Find more information about [bill consolidation](#) here.

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