

# Proverbs on Debt

## Proverbs 22:7

### Definition of Debt:

1. “Something owed, such as money, goods, or services; an obligation or liability to pay or render something to someone else” (American Heritage Dictionary)
2. “\_\_\_\_\_ to pay that cannot be met” (Larry Burkett)
3. Debt becomes a burden, a responsibility, and obligation

### 4 Biblical Principles (Proverbs) concerning Debt:

- I. Borrowing obligates you to the Lender (22:7)
  - not a \_\_\_\_\_ to borrow, but discouraged in Scripture.
- II. \_\_\_\_\_ whatever you owe (3:27-28; Psalm 37:21)
  - don’t file bankruptcy, but pay back the lender.
- III. Avoid Surety (6:1-5; 17:18; 22:26)
  - “Surety”=> “guarantee; one who has become legally liable for the debt, default, or failure in duty of another” (*Merriam-Webster Dictionary*)
  - Cosigning for someone; credit card debt; financing a vehicle
- IV. Avoid future temptation (“\_\_\_\_\_”) to borrow
  - Recognize the Source and Owner of all you have (3:5-10)
  - Acknowledge that if I’m obedient to the Scriptures, then the Lord promises to supply my needs (Philippians 4:19); therefore, if I do not have the money to buy what I “need,” then it must not be need or not God’s timing!
  - Set aside funds for \_\_\_\_\_ as well as big purchases (6:6-8)
  - Spend less money than you make over and over again—takes time!
  - Keep track of money \_\_\_\_\_ on income/expense sheet (and budget)
  - Set goals together prayerfully with your spouse and/or family
  - Only borrow on items that \_\_\_\_\_ in value (i.e., house)
  - If you have a credit card, only use it as a \_\_\_\_\_ & if you already have money
  - Get spiritual and professional help and accountability (i.e., Dave Ramsey’s materials; Crown Financial Services; BudgetFocus.com; www.eebacanhelpp.com)

## 10 Practical Steps to Paying Off Debt:

1. \_\_\_\_\_ your problem/confess your sin
2. Keep an income/expense sheet=>transform it into your monthly budget
3. Cut back on spending
  - No \_\_\_\_\_ buying (do not buy for 24 hours)
  - No discretionary purchases without talking to/praying with your \_\_\_\_\_
  - Stop eating out regularly; have a monthly “reward” night
4. Prioritize debts
  - Highest interest rates
  - Lowest amount due
5. Find extra \_\_\_\_\_
  - Seek a temporary part-time job
  - Sell unneeded or recreational assets
  - Downsize your lifestyle
6. Switch to credit card with lower interest rate
7. Contact \_\_\_\_\_ to work out arrangements
8. \_\_\_\_\_ your credit card until under control
9. Cancel out all but two credit cards
10. \_\_\_\_\_ for credit cards that benefit you
  - No annual fee
  - Grace period to pay
  - Lowest interest rate
  - Dividend cards with cash back or other rewards