

Cheap Auto Insurance: How To Get The Best Car Insurance Quotes

By James Stuart

Here's How We Save a Ton of Money on Car Insurance

The single most critical factor in getting a cheaper car insurance rate is shopping around for as many quotes as you can. Why? Because different insurance companies charge different rates for the same coverage. In addition, insurance companies' competitiveness differs tremendously by customer location.

You need to compare rates. Only by obtaining several quotes, that are specific to your situation and location, you will be really able to discover the cheapest rate that is available to you. Now, usually shopping around for quotes can be a tedious and time consuming task, but we will make it here much easier for you. Right now there is probably a company that offers a better rate than what you are currently paying. But how can you find it?

Here is our little trick. To discover the cheapest car insurance rate that is available to us, we use this free service: (toll-free) at (855) 981-7528. They perform the tedious task of shopping around, and present you with the cheapest auto insurance provider for your location. We call this service every year before our car insurance expires. It allows us to discover whether there is a cheaper car insurance rate than ours, and has saved us lots of money over the years.

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1. The Single Most Critical Factor in Getting the Best Auto Insurance Deal

The number one mistake made by Auto insurance seekers is approaching only the companies that are most heavily advertised. The first insurance company that comes to mind is not necessarily the one that will offer you the best rate.

The single most important factor in getting a cheaper car insurance rate is shopping around for as many quotes you can. Why? because different insurance companies charge different rates for the same coverage. In addition, insurance companies' competitiveness differ tremendously by customer location.

Only by obtaining several quotes that are specific to your situation and location you will be really able to discover the cheapest rate that is available to you. How many quotes? go for at least 5 quotes from different insurers, less than that will not do the job.

Now, usually shopping around for five quotes can be a tedious and time consuming task, but we will make it here much easier for you.

We've reviewed numerous quoting services to bring you the best one. The following free service will provide you with several competing quotes from various companies, thus enabling you to compare and pinpoint on the best rate that is available for your location:

Best-Quote-Inc. - Call them (toll-free) at (855) 981-7528- this is a free by phone service that provides multiple company insurance rates specific to your location, see how companies compete for your business. Offers great rates from quality insurers.

I recommend you get quotes using the above providers, the more quotes you get the better your chances of getting the cheapest quote available. This comparison may save you as much as \$400 and more on your car insurance.

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2. How to Lower Your Premiums

Here is a list of strategies to help you further reduce your auto insurance cost:

Before You Buy a Car, Compare Insurance Costs

One of your considerations when shopping for a new or a used car should be the insurance costs. Car insurance rates are based in part on the price of the car, the cost to repair it, its overall safety record and the likelihood of theft.

Ask for Higher Deductibles

Deductibles are what you pay before your insurance policy kicks in. Consider increasing the amount of your deductible. Decide how much of the initial loss to your automobile you can afford to pay and see what deductibles various companies offer. By requesting higher deductibles, you can lower your costs substantially. For example, increasing your deductible from \$200 to \$500 could reduce your collision and comprehensive coverage cost by 15 to 30 percent. Going to a \$1,000 deductible can save you 40 percent or more. Before choosing a higher deductible, be sure you have enough money set aside to pay it if you have a claim.

Reduce Coverage on Older Cars

Consider dropping collision and/or comprehensive coverages on older cars. If your car is worth less than 10 times the premium, purchasing the coverage may not be cost effective.

Buy Your Homeowners and Auto Coverage From the Same Insurer

Many insurance providers will give you a break if you buy two or more types of insurance. You may also get a reduction if you have more than one vehicle insured with the same company. Some insurers reduce the rates for long-time customers.

Maintain a Good Credit Record

Establishing a solid credit history can cut your insurance costs. Many insurance companies use credit information to price auto insurance policies.

Paying Premiums

You can save on service charges by paying premiums in full rather than on a quarterly or month-to-month basis.

Lower Your Current Rate

Are you satisfied with your current agent and don't want to switch insurers? here's a simple trick that will practically "force" your agent to reduce your rate: follow the procedures in this book to get a cheap quote from another insurer. Present your agent with the cheaper quote you got and tell him that you want to stay with him but in light of the cheap quote you have it is really difficult for you. This strategy will surely "persuade" him to reduce your rate.

Take Advantage of Low Mileage Discounts

Some insurers offer discounts to car owners who drive a lower than average number of miles per year. Low mileage discounts can also apply to drivers who car pool to work.

Ask About Group Insurance

Some companies offer reductions to drivers who get insurance through a group plan from their employers, through professional, business and alumni groups or from other associations. Ask your employer and inquire with groups or clubs you are a member of to see if this is possible.

Young Drivers With Good Grades

If you have a driver over the age of 16 and under the age of 25 who is either a full time student or a graduate of a college or university with a "B" or better grade average or a 3 point average on a 4 point scale, this driver may qualify for a good student discount.

Avoid Duplicating Medical Coverage

If you already have good health, life and disability insurance, buy only the minimum personal injury protection required by the state where you live.

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3. 101 Great Auto Insurance Tips and Ideas

1. To make sure you are getting the best deal on your car insurance, get quotes from at least three different insurers. You can choose to deal with individual insurance companies or you can go to an insurance broker, who can represent several companies and get you quotes from each one.
2. Trade in your flashy sports car for a cheaper, less noticeable vehicle. If you drive a sports car, you can expect to pay a higher policy cost. Choose a smaller car with a less flashy profile. Those with high performance engines will be expensive to cover because they are involved in more accidents. In addition, sports cars are stolen more often than other cars, driving the insurance rates even higher.
3. Make sure you understand the different types of coverage available and that your insurance provides adequate coverage for your situation. Your car insurance should ideally cover collision, comprehensive and medical issues that might arise from an accident. You also need coverage against drivers who lack insurance, as well as any other damage your car might suffer, such as from fires or floods.
4. Your insurance costs on your automobile can increase if you have points on your driver's license from tickets or accidents. The better your record is, the less you are going to have to pay in premiums. Remember to check periodically and obtain new insurance quotes as items are deleted from your driving record.
5. One potential source of insurance savings you may not be aware of is a commuter discount. This is a discount offered by some insurance companies to drivers who make use of public transit options for their work commute. If your insurer offers such a discount and your transit system and schedule allow it, you could save significantly on car insurance.
6. Find out about your deductibles before you ever need any work done. Sometimes you may not realize you got a great low auto insurance rate by agreeing to pay a huge amount out of your pocket before any repairs will start. Get hold of your insurance rep and ask them to explain it to you.
7. When looking to purchase car insurance, get advice from people you know. You might find out that others have done research and they will give you what they found. Feel free then, to contact every referral that is given to you and reference the person who gave it to you. This could help you find someone with a good rate.
8. If you can afford it, raising your deductible can end up saving you a good bit on the cost of your auto insurance. As with any insurance policy, the higher the deductible, the lower the premiums. Just remember, that you will be responsible for meeting the deductible, so be sure you have enough money available to do so.
9. You should look at your insurance policy very carefully before making a payment. One section that you should look at in particular is a section that refers to what kind of parts they will cover if you should get into a car accident. Some insurance policies do

not cover original manufacturer parts. You should get this ironed out before you get the insurance.

10. Your auto insurance policy might be costing you more if you are paying month-to-month. Consider buying a 6-month or a 12-month policy to reduce your rates. Setting aside money each month would insure that you don't find yourself with a large bill you are unable to pay at the start of a new term.

11. When shopping around for car insurance, ask the company if they give a discount for insuring multiple cars with them. If your spouse has insured their car with a different company, or if you have multiple vehicles yourself, it typically makes sense to have all household cars insured by the same company if it will cost less.

12. Work to maintain a good credit score to keep your automobile insurance costs down. It seems almost silly that these two things are related, but many companies will check your credit before issuing coverage. A higher score indicates to the company that you are responsible, and they will often lower your rates because of it.

13. You may be able to get some very nice discounts on the premium of your auto insurance policy via your employer. Sometimes they will cut a deal with insurance companies to offer some special group rates to their employees. Make sure to check with HR to see if this kind of deal is available at your workplace.

14. If your auto insurance policy includes towing, you should remove it. This will help you lower your policy cost, and chances are you rarely will use it. Just be sure to be organized and plan ahead so you will not need the towing coverage. In case of an accident, towing is most often covered under collision.

15. Learn what the best auto policy is for you by researching on your own. Don't expect the insurance company employee to tell you. An employee can help guide you through policies, but might not have in mind what is best for you. Depending on what type of commission plan an agent receives, the employee may be steering you toward policies that are in the best interest of the employee's paycheck.

16. When considering auto insurance, remember to look for your available discounts. Did you attend college? That could mean a discount. Do you have a car alarm? Another discount may be available. Remember to ask your agent about what discounts are available so that you can take advantage of the cost savings!

17. The year and options on your vehicle will play a large roll in how much your insurance premium is. Having a newer car with lots of safety features can save you some, but if you have it financed you will also have to pay more for full coverage.

18. When considering auto insurance for a young driver, be sure to consider building up his or her credit, prior to shopping for insurance. This will not only assist with the new driver being able to get a possible better rate, but will also help when the young person may need other large purchases or loans in the future.

19. When dealing with car insurance a person needs to understand that who they are will affect their premiums. Insurance companies will look at things such as how old you are, if your male or female, and what kind of driving record that you have. If you're a male that is 25 or younger you are going to have the higher insurance rates.

20. If you can afford to do so, save some money on your car insurance by paying the entire year's premium at once. Most insurers will offer the option to pay premiums monthly. But this adds on a fee for the convenience, which can add up over the course of the year. You can still save by splitting the annual premium into two payments.

21. You may be able to avoid having to pay for costly rental car insurance if you complete the rental transaction using a credit card that provides coverage. Be sure to read the fine print in your credit card agreement as the offerings can vary between cards. In most cases you'll have to do the entire rental transaction on the same card to keep from voiding the coverage.

22. If you have other drivers on your insurance policy, remove them to get a better deal. Most insurance companies have a "guest" clause, meaning that you can occasionally allow someone to drive your car and be covered, as long as they have your permission. If your roommate only drives your car twice a month, there's no reason they should be on there!

23. Part of the cost of your auto insurance is based on where you live. In particular, people who live in urban areas, generally pay a significant amount more for their auto insurance than people who live in rural areas. If you live and work in a city, you might want to consider trying to find a place in a rural area, from where you can feasibly commute to work.

24. You need to find out important details about your insurance policy before agreeing to it. You should know how much you are going to be paying for the policy and exactly what it covers. There are some policies that cover very little and some that are very detailed and that cover a plethora of possible events.

25. When looking into auto insurance, the best advice you could probably receive is to check different companies and get competitive quotes. You will then know you are getting the insurance coverage you need, at a price you can afford. Check the policies side by side to be sure the one you choose has everything you need.

26. Hybrid vehicles are really underrated in terms of insurance prices. So if you want to save money on insurance, you might want to look at purchasing some type of hybrid vehicle. Apart from the great tax savings, you will also stand out as a low-risk driver in a hybrid, and thus your insurance premiums will ultimately drop.

27. To get the best rate on your auto insurance, it is important to shop around, even if you are happy with your current insurance provider. If other companies are offering significantly lower rates for the same insurance coverage, then take that information back to your own provider and use it to negotiate a better rate.

28. If you are traveling by car to either Mexico or Canada, be sure to speak with your auto insurance company in advance about your coverage. In many cases, your coverage stops at the border or within a few miles of the border. If you were to get into an accident beyond that point, your insurance company would be unable to help you.

29. If you are torn between buying a sportier car or something more practical, then remember that both the value, as well as the style of your car, can affect your auto insurance rates significantly. Sportier cars and trucks can come with insurance rates that are two or three times higher than their more casual counterparts.

30. To save money on auto insurance, be sure to take your children off of your policy once they've moved out on their own. If they are still at college, you may be able to get a discount through a distant student credit. These can apply when your child is attending school a certain distance from home.

31. There are many aspects of auto insurance which most people are completely unaware of, like the Group Automobiles scoring system. Check into this particular scoring system before you purchase a vehicle. You will find cars and trucks rated from 1 to 20. Purchasing the lower-rated automobiles on this list will allow you to save money.

32. Keep your record clean! Your driving record is the main thing that insurance companies look at when deciding what to charge you. It is more important than the car you drive and your credit rating together. Even getting a simple speeding ticket can set your premiums higher, so keep your nose clean!

33. Never drive your car without liability insurance. This insurance type can save you a lot of money as the insurance company pays the damages you caused to someone. Without this insurance type, you would be liable for all the costs. Choose the coverage that is right for you and your unique situation.

34. Having a alarm, car tracker or other theft deterrent installed on your car can save you money on your insurance. The possibility of your car getting stolen is part of the calculations that go into your insurance quote. Having a theft deterrent system means that your car is less likely to get stolen and your quote will reflect that.

35. Don't pick an insurance just because it is cheaper. Each insurance company provides different types of plans with varying levels of coverage. One company may offer a plan for \$100 less, but it may just have liability coverage. Most states require protection against damage to another person's car, but not for your own.

36. Installing a security system in your vehicle can lead to big savings on your premium. Theft is a large portion of the risk coverage you get from your insurer, so the lower your risk, the lower the rate your insurance company will charge you. If you have a newer car, the cost of the installation will often be less than the savings you will receive over the life of the car.

37. When it is possible to do so, try not drive your car. In many states, the premium amount is based on how many miles you drive each year. If you do end up driving less, make sure to call and let the insurance know so that they can lower our premium rate.

38. Drive safely and carefully. Good drivers will get discounts on their car insurance. By avoiding drunk driving and respecting simple rules, you can avoid getting into an accident that you are responsible for. Your insurance should not increase as much if you get into an accident that you are not responsible for.

39. Use the internet to get your car insurance plan. The internet is incredibly useful. Not only will you not have to deal with the hassle of going to the insurance provider yourself, you will also get a better deal if you shop for it online. Shopping online saves the provider money. Consequently, you save money as well. To help you with this task we located a reputable [free car insurance quoting service](http://www.liraz.com/insureme) (if the link doesn't work, type this into your browser: www.liraz.com/insureme), this service is known to produce low premium rates. It will provide you with several competing quotes from various companies, thus enabling you to compare and pinpoint on the best rate that is available for your location.

40. If you are involved in a hit and run accident, you need to report it to your insurance company right away. They will be able to send an insurance adjuster to the scene of the accident. They will take pictures and sometimes they are even able to cut you a check to get your car repaired right there on the spot.

41. It should really go without saying, but you should never leave an accident unreported to your insurance company. If another victim in the accident makes an insurance claim or a police report is filed, the chances that your insurance company will catch wind of it rise exponentially. While an accident you report might raise your premiums, an unreported one definitely will - and by much more.

42. You can save money on car insurance if your car is an older car, a sedate car (like a 4-door-sedan or hatchback) or has lots of miles on it. When this is the case, you can simply buy liability insurance to satisfy the requirements of your state and not bother with comprehensive insurance.

43. Avoid auto insurance extremes. You can definitely be hurt by a lack of adequate insurance. Even more costly is being over-insured. Many people pay for coverage they cannot ever possibly need. The result can be a huge drain on your budget. Evaluate your car insurance coverage and rates annually.

44. It might be a good idea for you to buy a used car if you are a new driver or someone that does not drive particularly well. Insurance companies view used cars as much less of a liability so the majority of the time they will charge you premiums that are much less than those that they charge new car owners.

45. When your children leave home permanently, take them off your auto insurance policy. It can be hard to accept, but once your children move out, they're adults and responsible for their own insurance. Removing them from your insurance policy will save you a significant amount of money over the course of the policy.

46. Know what kind of car insurance coverage your company offers and what is out there. It can help you decide what you might need individually or for your whole family. If your company does not offer what you are looking for there are many others out there.

If you do not have a vehicle yet, be sure to think about what the insurance premium will be for the type of car that you will buy. The type of car that you drive plays a great part in calculating your premium. Your insurance premium will be higher if you own a sports car or a car that is high in value.

47. If available in your state, request a copy of your driving history before shopping for car insurance. Information can be inaccurate on it which may be causing your quotes to be higher. Make sure you know what is on your report and if you find discrepancies have them corrected as soon as possible.

48. Don't allow inferior parts to be used to repair your car, and it will last longer. Some insurance companies may send you to a repair shop that doesn't necessarily have your car's best interests in mind. Make sure that they use parts directly from the manufacturer to ensure a perfect fit and that they meet federal safety standards.

49. Anyone shopping for a great rate on auto insurance should investigate the availability of group or affiliate discounts. Employer groups, professional associations and other organizations commonly negotiate special rates for their members, which can result in significant savings. Therefore, it pays to comparison shop with these types of potential discounts in mind.

50. When purchasing car insurance, do not get unnecessary add-ons. Things like Motor Club, Travel Club, and Accidental Death Insurance are rarely used and just end up costing you more money each year. Instead, stick with things you will use, such as collision coverage, liability and property damage, and bodily injury coverage.

51. Check into how much you would save by using the same insurer for both your home and your car. Some companies offer a discount if you have multiple policies with them. The majority of companies today do insure a variety of items, so it is a good idea to look into the possibility.

52. You should choose a popular and recent vehicle over anything else. If your vehicle needs to be repaired, parts will be easy to find and remain relatively cheap. With an older model, you might have to order the parts or with a rare foreign brand, have the parts shipped from overseas. This will raise your insurance, or not be covered by it.

53. You should decide wisely how much coverage you want. You will need basic coverage, but you can save money by paying less every month and saving up some money in case you get in an accident and need to pay for repairs yourself. If you do this, make sure you always have enough money available to pay for repairs.

54. If you already have or are thinking about getting another car, call your auto insurance provider. This is because many people do not know that you can put more than one car on one plan. By having all of your cars insured under the same plan, you could potentially save thousands of dollars.

55. Before signing up for an insurance, you should carefully go over the policy. Pay a professional to explain it to you, if you need to. You must know what you will be covered for, in order to assess if you will be getting your money's worth. If the policy seems

written in such a way that does not make it accessible, your insurance company might be trying to hide something.

56. Get knowledgeable about the coverage you have on your vehicle, versus the coverage you have available to you. You may find that you could have a significantly higher coverage available to you than you are taking advantage of. Sometimes the better packages only cost dollars more than your basic policy.

57. Add an anti-theft device to your car, either in the form of an alarm or simply a locking steering wheel bar. Most car insurance companies offer significant discounts for cars that have anti-theft devices. The cost of replacing your car after theft is a significant part of your auto insurance premium, so reducing that risk reduces your premiums.

58. When you shop for auto insurance, make sure that you are receiving the best possible rate by asking what kinds of discounts your company offers. Auto insurance companies give discounts for things like safe driving, good grades (for students), and features in your car that enhance safety, such as antilock brakes and airbags. So next time, speak up and you could save some money.

59. If your automobile is older and has a low book value, you can save money on your insurance by dropping the comprehensive and collision coverage options. If you are ever involved in an accident with an older car of little value, the insurer is not going to fix it. They will label it totaled. So there is no reason to pay for this type of coverage.

60. Keeping up with the times is a great way to save money on your auto insurance. Most insurance companies have electronic payment plans set up via their websites. If you use these and make your payments on time, you will be able to save some money. There's nothing wrong with the old-fashioned way, but you can save some cash by making e-payments.

61. If you really want to save a lot of money on automobile insurance, you can waive almost every type of insurance available except for state-mandated liability coverage. Liability coverage protects other drivers on the road more than you, so this is required for all drivers. But other types of coverage are not required and you can save big money by leaving them off.

62. Keep your insurance updated with who is actually driving your car. A lot of parents forget to take their children off of their insurance even after they have moved out and gotten coverage of their own. The more drivers on your policy the more you are paying so make sure and keep it up to date.

63. The type of vehicle you choose to drive can affect the cost of your car insurance, particularly if you drive a sports car. Insurance for sports cars is typically more expensive because these cars have a high theft rate and poor collision performance. However, it pays to shop around because different insurance agencies have different methods of deciding what defines a sports car. While any small, fast car with two doors is generally considered a sports car, the question gets trickier when it comes to four-door cars. Just because one agency classifies your vehicle as a sports car doesn't mean the next one will do the same.

64. Having more vehicles than one needs is a way to pay more than one needs to be paying for insurance. By selling or storing cars or anything else that one does not use often they will no longer have to pay insurance on that vehicle. It will save them money off their insurance.

65. In certain states your auto insurance premium will go down if you take a course to improve your driving skills. Find out more about this at your local secretary of state or department of motor vehicle. You should not trust any other resources to find an approved driving course.

66. Remember that you didn't just buy the first car that you ran across, but took time to analyze all of the good options. You should follow the same rule when looking at car insurance. Many times you will just want to accept the first deal you find, but you should be sure to look around at many options both online and in the agencies.

67. Make sure you are getting all the discounts available to you. If you have other insurance, such as home insurance or an umbrella policy, you may be eligible for a discount based on this. You may also get a discount if you are over 25, married or a college student.

68. Take advantage of every possible auto insurance discount. Some insurers list all of their discount possibilities on their websites, while other insurers are not so forthcoming. You may need to telephone your agent and ask them to list all the discount options for you. Research what other companies offer so you are prepared to ask questions. Can you get a discount for going to defensive driving school? How about accident forgiveness? Do you get a good driver discount? Ask about any discounts on deductibles for good driving history, and loyalty discounts for staying with the same insurer.

69. When keeping down the cost of auto insurance, protect your no-claims record. If you have several years of auto insurance with the same company and you have not needed to file any claims, avoid filing a small claim. The increase in your premiums will be more expensive than simply covering the small claim damage out of pocket.

70. Auto insurance for young drivers is very costly. You can save some money by choosing the right kind of car for your teenager to drive. If you allow your teen to drive the Mustang, prepare to pay through the roof. If, on the other hand, you restrict your teen to the most "beater"-like car you own, your premiums will be notably lower.

71. A lot of people have speeding and parking tickets that they're not even aware of until they attempt to get a new auto insurance policy. To avoid this money trap, be sure to check with your local state office to receive a copy of your full driving record. This will let you know if there are any unpaid tickets you need to handle.

72. As an automobile insurance customer, you should always be on the lookout for scams out there. With new insurance companies popping up every day, some of them make bold statements and promise to offer lower monthly premiums, but the coverage is cut-rate at best and is likely to drastically increase after you file a claim.

73. Ask the people you know for a recommendation. Everyone who drives has insurance, and many of them have had both good and bad experiences with different companies. Ask them which company they use, and why. You may find that your friends have found better deals at a company you wouldn't have thought to look at.

74. If you do not drive that many miles each year, look into the low-mileage insurance for your car. If you put less than 12,000 miles on your car each year and do not have the low-mileage insurance, you may be losing out on a good bit of extra money each month.

75. If other companies give you lower rates, use them to leverage a better deal out of your current insurance agent before jumping ship. Often, they will match the rate to compete.

76. Look for multi-car discounts where ever you can get them. If your teen just started driving, you will save money by putting their car on your policy. Newly married? Get quotes from each insurer for a new combined policy and go with the best company that gives you the best features for your money.

77. To be sure that you are getting the best rate on your auto insurance, it's a good idea to check to see that your policy is accurate. Make sure that your insurer has accurate information about your current vehicle, and that your average annual mileage is correctly included in your policy.

78. Many insurance companies provide discounts for the elderly. Getting 10% or more off your insurance premium isn't half bad.

79. Check your insurance policy each year before it renews and see if there are any features you no longer need, or that you need to add. When your car starts to age you may consider removing full coverage on it but want to add a roadside assistance plan, for example.

80. If you've ever been in an accident you know what a hassle is to get an insurance adjuster to pay your claim. But if you've read this tip, next time won't be so difficult. With modern technology everyone has a camera handy. Don't be afraid to use it! After an accident, take pictures of your car, their car, and yourself if there are any injuries. This should make getting the claim paid far less troublesome.

81. When buying a new or used car, don't forget to factor in the cost of insurance. Your dream car may come with an insurance premium that pushes the monthly payment out of your reach. Do some research before you go shopping. You can find average rates for different car models online, or your insurance broker can provide this for you.

82. You can save money on your auto insurance if you are in a position to drop collision coverage. You might consider doing so if your vehicle is paid off and if you have enough in savings to cover the car's replacement cost. The value of older cars drops dramatically, and if you're willing to take on some out-of-pocket risk, you can save on your premiums.

83. Save money by evaluating your car insurance needs and improve your personal finance. The more your car costs, the more your insurance will cost. With so many variables in insurance policies, choosing what you need versus not needing can be tough. However, one that you might want to consider cutting is the collision damage part. If your car is in bad shape then there is obviously no need to have that type of coverage.

84. Get your insurance quote before you buy a vehicle. This way, you will know in advance how much everything will cost altogether. Find out if buying a slightly different car will change your rates. Every little bit helps, and if you can walk away with a car that has lower rates, you would want to do so.

85. There are many different types of auto insurance companies out there. Get quotes from all of them to find out what is the best price. Many companies now offer quotes online, over the phone, or you can go into any insurance agents office and make an appointment to go over your options.

86. When you are setting up your auto insurance, make sure you remember what financing requirements you may have. The bank requires certain minimum coverage amounts that you must keep. If you change them, your account could have problems. It usually has to do with your deductible. So make sure you have the coverage set for the correct amount that your bank requires.

87. One overlooked way to save money on your car insurance is to stick with the same company for an extended period of time. Most insurance companies offer reduced rates to long-term customers which can add up to big savings over time. So, find an insurance agency to your liking, stick with them and watch your premiums go down.

88. Know what kind of car insurance coverage your company offers and what is out there. It can help you decide what you might need individually or for your whole family. If your company does not offer what you are looking for there are many others out there.

89. Everyone knows that a Ferrari is an expensive car, but what you may not know is that the insurance will be vastly more expensive as well. If you have your heart set on a car like this, make sure that you consider the increased prices of the insurance as well. At times it can be as much as 3 times the price of a normal car.

90. Shop for auto insurance yearly. Even if you have no intention of changing policies, or providers, take the time to compare your rate. You can often find savings within the insurance organization you already use, but you will not know to ask without good backup information. Question big rate disparities.

91. Know the laws in your state concerning auto insurance. In almost every state, car insurance is compulsory. You can face stiff fines and penalties for not carrying adequate car insurance. Some states are even known to jail repeat no-insurance violators. Educating yourself is important so that you can comply with the laws.

92. Don't forget to inquire about special discounts when you are purchasing an auto insurance policy. Discounts are usually based on risk, and if you are a lesser risk to the

insurer, they may lower your premium. Discounts may be given if you've had a good driving record, have an anti-theft device installed in your vehicle, or if you've taken courses on safe driving. Check with your agent to see if you qualify for any of these, or any other discount that might be available.

93. Pay your premiums in full! This is one of the best ways to instantly get a discount from most insurance companies. Instead of paying your premiums over 6 months or even a year, if you have the money to pay everything immediately, you will most likely get a noticeable discount.

94. Parents looking to keep their family's auto insurance payments to a minimum would do well to buy a car whose insurance is affordable in general. A late-model, less glamorous car will be less expensive to insure in general, and will especially save money when including any teenage children you may want to include on your policy.

95. If you're currently receiving a no-claims discount for an auto insurance company, it is important that you protect this. Only file a claim if it is absolutely necessary, because once you file a claim with your insurer, your rates could increase instantly by up to 75%. Filing claims should be saved for real accident and injury.

96. Get liability-only coverage. This policy is the cheapest one you can get that still follows all mandatory minimum state laws. Just remember that it does not cover you or your vehicle, only the other person and their vehicle. In the event your car is damaged in some way, you would have to pay for the repairs yourself.

97. When you get older, you will want to have your vision checked regularly. Some states have made mandatory eye testing a requirement for a senior license. This will keep you and the others around you a bit safer; even if your state does not require the test, be safe and have it done on your own.

98. You should call your insurance company if you get a DUI. There are some states that require drivers who have gotten a DUI to get a certain type of insurance coverage in order to be able to drive on the road. This coverage is often more expensive and needed for an extended period of time. Your insurance agent should be able to give you all the information you need.

99. Add your husband or wife to your policy. This can reduce your rates greatly because it shows stability. This shows the insurance company that you are a stable and secure driver. This will lower your rates even more than being unmarried or just adding someone that is older, to your policy.

100. If you don't commute and just use your car to run errands and take care of minor business, you may be able to get a "pleasure driving" rate, which is much less than the rate you would pay if you were commuting to work every day. The reason for this is that you are less likely to have an accident if you don't drive very much!

101. Check crash test ratings for any new car you plan on buying. This will have a substantial impact on your insurance rates. The Insurance Institute for Highway Safety

issues a list each year with about 60 of its top picks for the safest cars in each class. These cars will cost you much less in auto insurance.

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Special Bonus:

4. Sixty One Ways to Save Money

Here is a list of tips and ideas that will help you save money in various areas of your life:

Airline Fares

1. You may lower the price of a round trip air fare by as much as two-thirds by making certain your trip includes a Saturday evening stay over, and by purchasing the ticket in advance.
2. To make certain you have a cheap fare, even if you use a travel agent, contact all the airlines that fly where you want to go and ask what the lowest fare to your destination is.
3. Be flexible, if possible. Consider using low fare carriers or alternative airports and keep an eye out for fare wars.

Car Rental

1. Since car rental rates can vary greatly, shop around for the best basic rates. Ask about any additional charges (extra driver, gas, drop-off fees) and special offers.
2. Rental car companies offer various insurance and waiver options. Check with your automobile insurance agent and credit card company in advance to avoid duplicating any coverage you may already have.

New Cars

1. You can save thousands of dollars over the lifetime of a car by selecting a model that combines a low purchase price with low financing, insurance, gasoline, maintenance, and repair costs. Ask your local librarian for new car guides that contain this information.
2. Having selected a model, you can save hundreds of dollars by comparison shopping. Call at least five dealers for price quotes and let each know that you are calling others.
3. Remember there is no "cooling off" period on new car sales. Once you have signed a contract, you are obligated to buy the car.

Used Cars

1. Before buying any used car:
 - Compare the seller's asking price with the average retail price in a "bluebook" or other guide to car prices found at many libraries, banks, and credit unions.
 - Have a mechanic you trust check the car, especially if the car is sold "as is."
2. Consider purchasing a used car from an individual you know and trust. They are more likely than other sellers to charge a lower price and point out any problems with the car.

Auto Leasing

1. Don't decide to lease a car just because the payments are lower than on a traditional auto loan. The leasing payments may be lower because you don't own the car at the end of the lease.

2. Leasing a car is very complicated. When shopping, consider the price of the car (known as the capitalized cost), your trade-in allowance, any down payment, monthly payments, various fees (excess mileage, excess "wear and tear," end-of-lease), and the cost of buying the car at the end of the lease. Keys to Vehicle Leasing: A Consumer Guide, published by the Federal Reserve Board and Federal Trade Commission, is a valuable source of information about auto leasing.

Gasoline

1. You can save hundreds of dollars a year by comparing prices at different stations, pumping gas yourself, and using the lowest-octane called for in your owner's manual.

2. You can save up to \$100 a year on gas by keeping your engine tuned and your tires inflated to their proper pressure.

Car Repairs

1. Consumers lose billions of dollars each year on unneeded or poorly done car repairs. The most important step that you can take to save money on these repairs is to find a skilled, honest mechanic. Before you need repairs, look for a mechanic who:

- is certified and well established;
- has done good work for someone you know; and
- communicates well about repair options and costs.

Auto Insurance

1. You can save several hundred dollars a year by purchasing auto insurance from a licensed, low-price insurer. Call your state insurance department for a publication showing typical prices charged by different companies. Then call at least four of the lowest-priced, licensed insurers to learn what they would charge you for the same coverage.

2. Talk to your agent or insurer about raising your deductibles on collision and comprehensive coverages to at least \$500 or, if you have an old car, dropping these coverages altogether. Taking these steps can save you hundreds of dollars a year.

3. Make certain that your new policy is in effect before dropping your old one.

Homeowner/Renter Insurance

1. You can save several hundred dollars a year on homeowner insurance and up to \$50 a year on renter insurance by purchasing insurance from a low-price, licensed insurer. Ask your state insurance department for a publication showing typical prices charged by different licensed companies. Then call at least four of the lowest priced insurers to

learn what they would charge you. If such a publication is not available, it is even more important to call at least four insurers for price quotes.

2. Make certain you purchase enough coverage to replace the house and its contents. "Replacement" on the house means rebuilding to its current condition.

3. Make certain your new policy is in effect before dropping your old one.

Life Insurance

1. If you want insurance protection only, and not a savings and investment product, buy a term life insurance policy.

2. If you want to buy a whole life, universal life, or other cash value policy, plan to hold it for at least 15 years. Canceling these policies after only a few years can more than double your life insurance costs.

3. Check your public library for information about the financial soundness of insurance companies and the prices they charge. The July 1998 issue of Consumer Reports is a valuable source of information about a number of insurers.

Checking

1. You can save more than \$100 a year in fees by selecting a checking account with a low (or no) minimum balance requirement that you can, and do, meet. Request a list of these and other fees that are charged on these accounts.

2. Banking institutions often will drop or lower checking fees if paychecks are directly deposited by your employer. Direct deposit offers the additional advantages of convenience, security, and immediate access to your money.

Savings and Investment Products

1. Before opening a savings or investment account with a bank or other financial institution, find out whether the account is insured by the federal government (FDIC or NCUA). An increasing number of products offered by these institutions, including mutual stock funds and annuities, are not insured.

2. To earn the highest return on savings (annual percentage yield) with little or no risk, consider certificates of deposit (CDs) and treasury bills or notes.

3. Once you select a type of savings or investment product, compare rates and fees offered by different institutions. These rates can vary a lot and, over time, can significantly affect interest earnings.

Credit Cards

1. You can save as much as a thousand dollars or more each year in lower credit card interest charges by paying off your entire bill each month.

2.If you are unable to pay off a large balance, pay as much as you can and switch to a credit card with a low annual percentage rate (APR). For a modest fee, RAM Research Corp. (800-344-7714) will send you a list of low-rate cards. You can obtain a list of low-rate cards by accessing "www.ramresearch.com.cardtrack" on the Internet.

3.You can reduce credit card fees, which may add up to more than \$100 a year, by getting rid of all but one or two cards, and by avoiding late payment and over-the-credit limit fees.

Auto Loans

1.If you have significant savings earning a low interest rate, consider making a large down payment or even paying for the car in cash. This could save you as much as several thousand dollars in finance charges.

2.You can save as much as hundreds of dollars in finance charges by shopping for the cheapest loan. Contact several banks, your credit union, and the auto manufacturer's own finance company.

First Mortgage Loans

1.Although your monthly payment may be higher, you can save tens of thousands of dollars in interest charges by shopping for the shortest-term mortgage you can afford. On a \$100,000 fixed-rate loan at 8% annual percentage rate (APR), for example, you will pay \$90,000 less in interest on a 15-year mortgage than on a 30-year mortgage.

2.You can save thousands of dollars in interest charges by shopping for the lowest-rate mortgage with the fewest points. On a 15-year, \$100,000 fixed-rate mortgage, just lowering the APR from 8.5% to 8.0% can save you more than \$5,000 in interest charges. On this mortgage, paying two points instead of three would save you an additional \$1,000.

3.If your local newspaper does not periodically run mortgage rate surveys, call at least six lenders for information about their rates (APRs), points, and fees. Then ask an accountant to compute precisely how much each mortgage option will cost and its tax implications.

4.Be aware that the interest rate on most adjustable rate mortgage loans (ARMs) can vary a great deal over the lifetime of the mortgage. An increase of several percentage points might raise payments by hundreds of dollars per month.

Mortgage Refinancing

1.Consider refinancing your mortgage if you can get a rate that is at least one percentage point lower than your existing mortgage rate and plan to keep the new mortgage for several years or more. Ask an accountant to calculate precisely how much your new mortgage (including up-front fees) will cost and whether, in the long run, it will cost less than your current mortgage.

Home Equity Loans

1.Be cautious in taking out home equity loans. These loans reduce the equity that you have built up in your home. If you are unable to make payments, you could lose your home.

2.Compare home equity loans offered by at least four banking institutions. In comparing these loans, consider not only the annual percentage rate (APR) but also points, closing costs, other fees, and the index for any variable rate changes.

Home Purchase

1.You can often negotiate a lower sale price by employing a buyer broker who works for you not the seller. If the buyer broker or the broker's firm also lists properties, there may be a conflict of interest, so ask them to tell you if they are showing you a property that they have listed.

2.Do not purchase any house until it has been examined by a home inspector that you selected.

Renting a Place to Live

1.Do not limit your rental housing search to classified ads or referrals from friends and acquaintances. Select buildings where you would like to live and contact their building manager or owner to see if anything is available.

2.Remember that signing a lease probably obligates you to make all monthly payments for the term of the agreement.

Home Improvement

1.Home repairs often cost thousands of dollars and are the subject of frequent complaints. Select from among several well established, licensed contractors who have submitted written, fixed-price bids for the work.

2.Do not sign any contract that requires full payment before satisfactory completion of the work.

Major Appliances

1.Consult Consumer Reports, available in most public libraries, for information about specific brands and how to evaluate them, including energy use. There are often great price and quality differences among brands.

2.Once you've selected a brand, check the phone book to learn what stores carry this brand, then call at least four of these stores for the prices of specific models. After each store has given you a quote, ask if that's the lowest price they can offer you. This comparison shopping can save you as much as \$100 or more.

Electricity

1.To save as much as hundreds of dollars a year on electricity, make certain that any new appliances you purchase, especially air conditioners and furnaces, are energy-

efficient. Information on the energy efficiency of major appliances is found on Energy Guide Labels required by federal law.

2. Enrolling in load management programs and off-hour rate programs offered by your electric utility may save you up to \$100 a year in electricity costs. Call your electric utility for information about these cost-saving programs.

Home Heating

1. A home energy audit can identify ways to save up to hundreds of dollars a year on home heating (and air conditioning). Ask your electric or gas utility if they can do this audit for free or for a reasonable charge. If they cannot, ask them to refer you to a qualified professional.

Local Telephone Service

1. Check with your phone company to see whether a flat rate or measured service plan will save you the most money.

2. You will usually save money by buying your phones instead of leasing them.

3. Check your local phone bill to see if you have optional services that you don't really need or use. Each option you drop could save you \$40 or more each year.

Long Distance Telephone Service

1. Long distance calls made during evenings, at night, or on weekends can cost significantly less than weekday calls.

2. If you make more than a few long distance calls each month, consider subscribing to a calling plan. Call several long distance companies to see which one has the least expensive plan for the calls you make.

3. Whenever possible, dial your long distance calls directly. Using the operator to complete a call can cost you an extra \$6.

Food Purchased at Markets

1. You can save hundreds of dollars a year by shopping at the lower-priced food stores. Convenience stores often charge the highest prices.

2. You will spend less on food if you shop with a list.

3. You can save hundreds of dollars a year by comparing price-per-ounce or other unit prices on shelf labels. Stock up on those items with low per-unit costs.

Prescription Drugs

1. Since brand name drugs are usually much more expensive than their generic equivalents, ask your physician and pharmacist for generic drugs whenever appropriate.

2. Since pharmacies may charge widely different prices for the same medicine, call several. When taking a drug for a long time, also consider calling mail-order pharmacies, which often charge lower prices.

Funeral Arrangements

1. Make your wishes known about your funeral, memorial, or burial arrangements in writing. Be cautious about prepaying because there may be risks involved.

2. For information about the least costly options, which could save you several thousand dollars, contact a local memorial society, which is usually listed in the Yellow Pages under funeral services.

3. Before selecting a funeral home, call several and ask for prices of specific goods and services, or visit them to obtain an itemized price list. You are entitled to this information by law and, by using it to comparison shop, you can save hundreds of dollars.

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