

Mortgage Payoff Strategy Guide

107 cited strategies and 34 repeatable sequences for paying a home off sooner without paying more out of the paycheck. Prepared 7 October 2026 for the High-Frequency Mortgage Killer Accelerator.

Hypothetical, not guaranteed. These are educational strategies, not a loan offer or a recommendation. The risk is real: borrowing against your home or another asset can cost more than it saves, and your home secures most of these loans. Confirm taxes with a CPA and terms with each lender.

How to read each strategy

Every strategy names where the extra principal comes from, how predictable it is, the steps that repeat, what to measure, the risks, who it fits, and the sources behind it. Amounts always come from the client's own Fact Finder or the client's entries in the calculator; the client can change any number.

Predictability

- Most predictable: once in place, the payoff date is arithmetic
- Depends on people or program rules: Depends on people or program rules (tenants, family, IRS records, lenders)
- Depends on markets or variable rates: Depends on markets or variable rates

Where the money comes from

- From an asset you already own
- From new cash flow, not your paycheck
- From a lower cost of the same debt
- From selling a share of the home's future value
- From borrowing against another asset (moves the debt, does not erase it)

Reference check

All 143 reference links (169 citations) were opened on 7 October 2026: 130 answered directly and 13 blocked automated requests but loaded through a page reader. None were broken.

All strategies at a glance

- 1. Refinance lower, keep paying the old payment (Most predictable)
- 2. Lump sum from idle assets, then recast (Most predictable)
- 3. House hack: rent a room, a unit or an ADU (Depends on people or program rules)
- 4. Business owners: rent your home to your business for up to 14 days (Depends on people or program rules)
- 5. Stop over-withholding and send it to principal (Most predictable)
- 6. Debt rollover: redirect every payment that ends (Most predictable)
- 7. Mutual Pay and Borrow Company policy loan from account value (Depends on markets or variable rates)
- 8. Sell a share of the home's future value (home equity investment) (Depends on markets or variable rates)
- 9. One HELOC, used as a sweep account (only with positive cash flow) (Depends on markets or variable rates)
- 10. Securities-backed line of credit (higher net worth) (Depends on markets or variable rates)
- 11. Right-size: sell, keep the tax-free gain, buy smaller (Depends on markets or variable rates)
- 12. Reverse mortgage (HECM) to retire the payment, 62 and over (Depends on markets or variable rates)
- 13. Buyers: assume a seller's lower-rate FHA or VA loan (Most predictable)
- 14. Rewards on the mortgage payment (small, and only without fees) (Depends on people or program rules)
- 15. Family bank: a parent's loan at the IRS minimum rate (Most predictable)
- 16. Equity relay: parent's equity in, child's equity out, parent repaid (Depends on people or program rules)
- 17. Family gifts straight to principal (Most predictable)
- 18. First-lien HELOC with a sweep account (an all-in-one loan) (Depends on markets or variable rates)
- 19. Buyers: have the seller pay down the rate (Most predictable)
- 20. Sale-leaseback: sell the home to an investor and rent it back (Depends on people or program rules)
- 21. Drop mortgage insurance and send that amount to principal (Most predictable)
- 22. Lower the escrow: appeal the property tax, claim exemptions, use the surplus refund (Depends on people or program rules)
- 23. Re-shop homeowners insurance and send the savings to principal (Depends on people or program rules)
- 24. Reimburse yourself from your HSA for old medical receipts (Most predictable)
- 25. Roth IRA contributions (not earnings) to principal (Most predictable)
- 26. First-time buyers: a Mortgage Credit Certificate (Most predictable)
- 27. Build or convert an accessory unit and rent it (Depends on people or program rules)
- 28. Veterans: a VA streamline refinance (IRRRL) at the same payment (Most predictable)
- 29. Rent the home by the day for photo shoots, filming and small events (Depends on people or program rules)
- 30. Rent out the driveway, garage, shed or attic for parking and storage (Depends on people or program rules)
- 31. Put the land to work: hunting lease, timber sale, billboard or cell-site lease (Depends on markets or variable rates)
- 32. Find money already owed to you: unclaimed property and old savings bonds (Depends on people or program rules)
- 33. Cut the utility bills with free weatherization and rebates (Depends on people or program rules)
- 34. 62 and over: postpone the property tax and pay down the mortgage instead (Depends on people or program rules)
- 35. Home sharing through a nonprofit matching program (Depends on people or program rules)
- 36. Landowners: a genuine conservation easement on land you keep (Depends on people or program rules)
- 37. Rent the whole home for a big local event week (Depends on people or program rules)
- 38. Paid family caregiving at home through a Medicaid program (Depends on people or program rules)
- 39. Active duty: the 6% SCRA cap on a pre-service mortgage, at the old payment (Most predictable)
- 40. Kill the costlier debts first, then roll everything into the mortgage (Most predictable)
- 41. Inherited assets: sell after the basis steps up, pay principal (Most predictable)
- 42. 70½ and over: give from the IRA directly and send the tax saved to principal (Most predictable)
- 43. 65 and over: sell a policy you no longer need instead of surrendering it (Depends on markets or variable rates)
- 44. Run a licensed family child care home (Depends on people or program rules)
- 45. Run childcare and commuting through pre-tax workplace benefits (Most predictable)
- 46. Claim every tax credit you qualify for and send the refund to principal (Most predictable)

- 47. Amend the last three years of returns for missed deductions and credits (Depends on people or program rules)
- 48. Rent out a car, trailer, tools or gear you rarely use (Depends on people or program rules)
- 49. Pet sitting and boarding from home (Depends on people or program rules)
- 50. Sell baked goods or preserves from your kitchen under your state's cottage food law (Depends on people or program rules)
- 51. Split off and sell extra land, with the lender's partial release (Depends on markets or variable rates)
- 52. Rent the home for a season and live somewhere cheaper (Depends on people or program rules)
- 53. 65 and over with limited income: let a Medicare Savings Program pay the premiums (Most predictable)
- 54. Energy bill help through LIHEAP (Depends on people or program rules)
- 55. Phone or internet discount through Lifeline (Most predictable)
- 56. Raise insurance deductibles once a reserve covers them (Depends on people or program rules)
- 57. Re-shop auto insurance and send the savings to principal (Depends on people or program rules)
- 58. Sell what sits unused: gold jewelry, collectibles, a boat or a second vehicle (Depends on markets or variable rates)
- 59. Sell a timeshare or vacation property that costs more than it gives (Depends on markets or variable rates)
- 60. Claim your state's property tax credit or circuit breaker (Most predictable)
- 61. Merge households: a parent sells, moves in and shares the costs (Depends on people or program rules)
- 62. Self-employed: take the home office deduction and send the tax saved to principal (Most predictable)
- 63. Business owners: pay your children for real work (Depends on people or program rules)
- 64. Selling another property? Carry the note and route its payments to principal (Depends on people or program rules)
- 65. Bank account sign-up bonuses, without credit pulls (Depends on people or program rules)
- 66. Audit the servicer: make sure every extra dollar hit principal (Most predictable)
- 67. Move idle savings above the emergency fund to principal (Most predictable)
- 68. FHA borrowers: a streamline refinance at the same payment (Most predictable)
- 69. Rent the whole house out and live somewhere free or cheaper (Depends on people or program rules)
- 70. Move into the accessory unit and rent the main house (Depends on people or program rules)
- 71. Sell in a high-cost area and buy for cash somewhere less expensive (Depends on markets or variable rates)
- 72. Live-in improve and sell, every two years, tax-free gain each time (Depends on markets or variable rates)
- 73. Sell a rental property and pay off the home (Depends on markets or variable rates)
- 74. Sell all or part of a business (Depends on markets or variable rates)
- 75. Sell vested employer shares you already own (Depends on markets or variable rates)
- 76. Surrender a policy you no longer need, for its surrender value (Most predictable)
- 77. Sell some future structured settlement payments, only with court approval (Depends on people or program rules)
- 78. Sell digital assets held outside retirement accounts (Depends on markets or variable rates)
- 79. Owe an individual? Offer a discounted lump-sum payoff (Depends on people or program rules)
- 80. A parent's or grandparent's large gift, using their lifetime exemption (Depends on people or program rules)
- 81. 73 and over: send required distributions you don't need to principal (Most predictable)
- 82. Use an annuity's yearly free-withdrawal amount (Most predictable)
- 83. Find lost pensions and old retirement accounts (Depends on people or program rules)
- 84. Claim refunds and settlements you are owed (Depends on people or program rules)
- 85. Lease acreage for a solar or wind project (Depends on markets or variable rates)
- 86. Get paid to grow and keep forest carbon (Depends on markets or variable rates)
- 87. Negotiate fair pay when a pipeline or power line crosses your land (Depends on people or program rules)
- 88. Host campers or a glamping pad on your land (Depends on people or program rules)
- 89. Board horses on pasture or in a barn you already have (Depends on people or program rules)
- 90. Run a licensed adult family home (Depends on people or program rules)
- 91. Ministers: a designated housing allowance (Most predictable)
- 92. Owners of an S or C corporation: get reimbursed tax-free for home office and mileage (Most predictable)
- 93. Let your employer pay student loans tax-free, then roll that payment (Most predictable)
- 94. Public service loan forgiveness, then roll the payment (Depends on people or program rules)

- 95. Teacher forgiveness or disability discharge for student loans (Depends on people or program rules)
- 96. Apply for hospital financial assistance on medical bills (Depends on people or program rules)
- 97. A nonprofit credit counselor's plan to cut card rates (Depends on people or program rules)
- 98. Lower health premiums with a marketplace premium tax credit (Most predictable)
- 99. Children's coverage through CHIP or Medicaid (Most predictable)
- 100. Free early childhood programs instead of paid daycare (Depends on people or program rules)
- 101. Get out of required flood insurance with a FEMA map amendment (Most predictable)
- 102. Wind-mitigation and FORTIFIED roof discounts (Depends on people or program rules)
- 103. Cancel add-on products you don't need (Most predictable)
- 104. Disabled veterans: a full or partial property tax exemption (Most predictable)
- 105. On a five-year plan, put cash on principal instead of buying points (Most predictable)
- 106. Lease or sell mineral rights you own (Depends on markets or variable rates)
- 107. Rent to a family displaced by a disaster whose insurer pays (Depends on people or program rules)

The strategies

1. Refinance lower, keep paying the old payment

Most predictable | From a lower cost of the same debt

- 1 Get refinance quotes when market rates sit well below your note rate.
- 2 Refinance the balance; do not take cash out.
- 3 Keep paying your old payment. Everything above the new required payment goes to principal.

Repeat: Each time rates fall far enough to cover the closing costs.

Measure: Months to payoff at the old payment and the new rate, against the closing costs.

Risks

- Closing costs can take years to earn back.
- Restarting a new 30-year term and paying only the new minimum undoes the benefit.

For: Average household, Higher earners, Higher net worth, with assets, Business owners, Newlyweds, Married couples, College students, Single, Grandmas and grandpas (62 and over), No high school diploma, No college degree

Sources

1. CFPB: Should I refinance?: https://files.consumerfinance.gov/f/documents/cfpb_should_i_refinance_handout.pdf
2. Federal Reserve: A consumer's guide to mortgage refinancings: <https://www.federalreserve.gov/pubs/refinancings/>

2. Lump sum from idle assets, then recast

Most predictable | From an asset you already own

- 1 Keep your emergency fund. Identify money beyond it: savings, a matured CD, an inheritance, a bonus already received.
- 2 Pay it to principal and ask the servicer to recast (re-amortize) the loan.
- 3 Keep paying the old payment, not the new lower one, so the term shortens instead.

Repeat: Whenever an asset frees up; many servicers allow a recast once a year or more.

Measure: Balance after the lump sum, and months to payoff at the old payment.

Risks

- Money in the house is hard to get back out.
- Not every loan type can be recast; servicers charge a fee.

For: Average household, Higher earners, Higher net worth, with assets, Married couples, Grandmas and grandpas (62 and over)

Shows in the finder when checked: Savings or investments beyond the emergency fund

Sources

1. PenFed: What is a mortgage recast?: <https://www.penfed.org/mortgage/article/mortgage-recast>
2. PNC: Mortgage recast: <https://www.pnc.com/insights/personal-finance/borrow/what-is-mortgage-recast.html>

3. House hack: rent a room, a unit or an ADU

Depends on people or program rules | From new cash flow, not your paycheck

- 1 Buy a two-to-four-unit home you live in (FHA allows owner-occupied up to four units), or rent a room or an accessory dwelling unit in the home you have.
- 2 Send the rent, after its own costs, straight to principal.
- 3 After the required occupancy (FHA: intend to live there at least one year), move to the next home and repeat, keeping the first as a rental.

Repeat: Every month the unit is rented; the move-and-repeat cycle after each occupancy period.

Measure: Net rent sent to principal each month.

Risks

- Vacancy and repairs; a bad tenant.
- Local zoning and landlord rules.
- Lenders count boarder or ADU income only under their rules.

For: Average household, Newlyweds, Married couples, College students, Single, No high school diploma, No college degree

Shows in the finder when checked: A spare room, unit or space to rent

Sources

1. HUD: How FHA defines an owner-occupant: <https://answers.hud.gov/FHA/s/article/How-does-FHA-define-owner-occupant>
2. Fannie Mae Selling Guide: Boarder income: <https://selling-guide.fanniemae.com/sel/b3-3.4-04/boarder-income>
3. Fannie Mae: ADU income and HomeReady boarder income: <https://singlefamily.fanniemae.com/media/8251/display>

4. Business owners: rent your home to your business for up to 14 days

Depends on people or program rules | From new cash flow, not your paycheck

- 1 Hold real business meetings or events at your home, documented with agendas and minutes.
- 2 The business pays a fair, documented market rent. If the home is rented fewer than 15 days in the year, the rent is generally left out of your income (IRC §280A(g)); the business deducts it as an ordinary expense if it qualifies.
- 3 Send the rent to principal.

Repeat: Each tax year, up to 14 days.

Measure: The year's rent sent to principal (divide by 12 for the monthly figure).

Risks

- The IRS looks for fair rent and real business use; keep records.
- Confirm with a CPA before you rely on it.

For: Business owners, Higher earners

Shows in the finder when checked: Owns a business or is self-employed

Sources

1. 26 U.S. Code §280A (Cornell LII): <https://www.law.cornell.edu/uscode/text/26/280A>
2. IRS Publication 587: Business use of your home: <https://www.irs.gov/publications/p587>

5. Stop over-withholding and send it to principal

Most predictable | From new cash flow, not your paycheck

- 1 Run the IRS Tax Withholding Estimator.
- 2 If you get a large refund every year, file a new W-4 so the money stays in each paycheck.
- 3 Set up an automatic monthly principal payment for the difference. Your take-home spending stays the same.

Repeat: Every pay period; re-check each year and after any life change.

Measure: Monthly withholding freed and sent to principal.

Risks

- Under-withholding can mean a bill and a penalty at tax time.
- It is your own money arriving sooner, not new money.

For: Average household, Higher earners, Higher net worth, with assets, Business owners, Newlyweds, Married couples, College students, Single, Grandmas and grandpas (62 and over), No high school diploma, No college degree

Sources

1. IRS: Tax Withholding Estimator: <https://www.irs.gov/individuals/tax-withholding-estimator>

6. Debt rollover: redirect every payment that ends

Most predictable | From new cash flow, not your paycheck

- 1 List every other debt. When one is paid off (a car, a student loan, a card), keep paying the same amount, now to mortgage principal.
- 2 For card balances you already have, one balance transfer to a lower rate can finish them sooner. Do not open new lines to do it.
- 3 Each finished debt adds its payment to the next, ending with the mortgage.

Repeat: Each time a debt ends.

Measure: The total of freed payments now going to principal.

Risks

- Balance-transfer fees, and a rate that jumps after the promotion.
- New spending on the cleared card undoes it.

For: Average household, Higher earners, Higher net worth, with assets, Business owners, Newlyweds, Married couples, College students, Single, Grandmas and grandpas (62 and over), No high school diploma, No college degree

Sources

1. CFPB: Consolidating credit card debt: <https://www.consumerfinance.gov/ask-cfpb/what-do-i-need-to-know-if-im-thinking-about-consolidating-my-credit-card-debt-en-1861/>
2. CFPB: Credit card key terms (balance transfer fees): <https://www.consumerfinance.gov/consumer-tools/credit-cards/answers/key-terms/>

7. Mutual Pay and Borrow Company policy loan from account value

Depends on markets or variable rates | From borrowing against another asset (moves the debt, does not erase it)

- 1 Only with a permanent policy you already own and have funded for years.
- 2 Borrow from the policy against its account value and pay mortgage principal (a policy loan, never a withdrawal).
- 3 Repay the policy loan from assets or new cash flow on your own schedule. While a loan is outstanding the IUL credit used here is the rate minus 5 points, never below 0, on account value (SO-06).

Repeat: When the policy's surrender value and the loan's cost make sense; review every year.

Measure: Loan balance against surrender value each year; months to mortgage payoff.

Risks

- Loan interest accrues; an unpaid loan reduces what the policy pays your heirs.
- If the policy lapses with a loan, the gain can be taxed all at once.

For: Higher earners, Higher net worth, with assets, Business owners, Married couples, Grandmas and grandpas (62 and over)

Shows in the finder when checked: Owns a policy with account value

Sources

1. Kitces: Policy loan tax rules at death or lapse:

<https://www.kitces.com/blog/life-insurance-loan-taxation-rules-at-death-or-lapse/>

8. Sell a share of the home's future value (home equity investment)

Depends on markets or variable rates | From selling a share of the home's future value

- 1 A home equity investment company pays a lump sum now for a share of the home's future value or appreciation. There are no monthly payments.
- 2 Apply the lump sum to principal.
- 3 Settle at sale, refinance or the end of the term (often 10 to 30 years), when the company takes its share.

Repeat: Usually once per home; some allow a buy-out and a new agreement later.

Measure: Lump sum received against the share owed at settlement under rising, flat and falling home values.

Risks

- If the home rises in value, the share can cost far more than a loan would.
- The CFPB found consumers surprised by the size of the repayment.
- Fees at closing.

For: Higher net worth, with assets, Married couples, Grandmas and grandpas (62 and over), Average household

Sources

1. CFPB: Home equity contracts, market overview:

<https://www.consumerfinance.gov/data-research/research-reports/issue-spotlight-home-equity-contracts-market-overview/>

2. Hometap: How it works: <https://www.hometap.com/how-it-works>

3. Unlock: How the home equity agreement works: <https://www.unlock.com/how-it-works/>

4. Point: Home equity investment: <https://point.com/he>

9. One HELOC, used as a sweep account (only with positive cash flow)

Depends on markets or variable rates | From borrowing against another asset (moves the debt, does not erase it)

- 1 Open one home equity line (not several).
- 2 Pay a chunk of mortgage principal from the line, then run your paycheck through the line so it is paid down every month, and repeat.
- 3 It works only when the household's income is more than its spending each month. The saving comes from that surplus, not from the line.

Repeat: Monthly sweep; a new chunk when the line is paid back down.

Measure: Combined mortgage-plus-line balance each month. If it is not falling, stop.

Risks

- HELOC rates are usually variable and often higher than the mortgage.
- The home secures the line.
- Interest on a HELOC is deductible only if the money buys, builds or substantially improves the home (IRS Pub. 936).

For: Average household, Higher earners, Married couples, Single

Sources

1. CFPB: What is a HELOC?: <https://www.consumerfinance.gov/ask-cfpb/what-is-a-home-equity-line-of-credit-heloc-en-107/>
2. IRS Publication 936: Home mortgage interest: <https://www.irs.gov/publications/p936>
3. Velocity banking: an honest math check: <https://www.velocitybanking.io/blog/is-velocity-banking-legit>

10. Securities-backed line of credit (higher net worth)

Depends on markets or variable rates | From borrowing against another asset (moves the debt, does not erase it)

Educational only. I am currently not licensed to offer or sell securities. Figures are hypothetical, not guaranteed. The risk is real: you can lose money, including principal, and a loss can change your lifestyle. Not an offer or recommendation.

- 1 Borrow against a taxable investment portfolio instead of selling it.
- 2 Pay mortgage principal with the line.
- 3 Pay the line down from portfolio income or planned sales.

Repeat: Reviewed against the portfolio's value at least monthly.

Measure: Line balance against the lender's maintenance requirement.

Risks

- If the portfolio falls, the lender can demand cash or sell holdings without asking.
- Rates are variable.

For: Higher net worth, with assets

Shows in the finder when checked: Savings or investments beyond the emergency fund

Sources

1. FINRA: Securities-backed lines of credit explained: <https://www.finra.org/investors/insights/securities-backed-lines-credit>
2. SEC Investor.gov: Investor alert on SBLOCs: <https://www.investor.gov/introduction-investing/general-resources/news-alerts/alerts-bulletins/investor-alerts/investor-28>

11. Right-size: sell, keep the tax-free gain, buy smaller

Depends on markets or variable rates | From an asset you already own

- 1 Sell a home you have owned and lived in for at least two of the last five years.
- 2 Up to the IRS limits, the gain can be excluded from income (IRC §121).
- 3 Buy a smaller home with a smaller mortgage, or none.

Repeat: Once every two years at most, under the two-of-five-year rule.

Measure: Equity freed against the new home's price and mortgage.

Risks

- Selling and moving costs.
- A smaller home is a lifestyle change.

For: Grandmas and grandpas (62 and over), Married couples, Higher net worth, with assets

Sources

1. IRS Topic 701: Sale of your home: <https://www.irs.gov/taxtopics/tc701>

12. Reverse mortgage (HECM) to retire the payment, 62 and over

Depends on markets or variable rates | From borrowing against another asset (moves the debt, does not erase it)

- 1 A federally insured reverse mortgage (HECM) can pay off the existing mortgage at closing.
- 2 No monthly principal-and-interest payment is due while you live in the home and keep up taxes, insurance and upkeep.
- 3 The loan is repaid when the home is sold or the last borrower leaves.

Repeat: Once.

Measure: The monthly payment removed against the loan balance that grows each year.

Risks

- The balance grows; less equity remains for heirs.
- Missing taxes or insurance can trigger repayment.

For: Grandmas and grandpas (62 and over)

Shows in the finder when checked: 62 or older

Sources

1. CFPB: Can anyone take out a reverse mortgage?: <https://www.consumerfinance.gov/ask-cfpb/can-anyone-take-out-a-reverse-mortgage-loan-en-227/>
2. HUD Handbook 7610.1 (HECM): <https://www.hud.gov/sites/default/files/hudclips/documents/76101HSGHBK.pdf>

13. Buyers: assume a seller's lower-rate FHA or VA loan

Most predictable | From a lower cost of the same debt

- 1 Look for homes whose sellers have assumable FHA, VA or USDA loans at lower rates.
- 2 Assume the loan and keep paying what a new loan would have cost you. The difference goes to principal.

Repeat: Each purchase.

Measure: Months to payoff at the assumed rate and your planned payment.

Risks

- The buyer must cover the seller's equity in cash or a second loan.
- Lender approval takes time.

For: Newlyweds, Single, No college degree, No high school diploma, Average household

Shows in the finder when checked: Buying a home now or soon

Sources

1. U.S. Bank: What is an assumable mortgage?:

<https://www.usbank.com/financialiq/manage-your-household/home-ownership/what-is-an-assumable-mortgage.html>

14. Rewards on the mortgage payment (small, and only without fees)

Depends on people or program rules | From new cash flow, not your paycheck

- 1 Some programs pay points on a mortgage paid by debit card or through their app.
- 2 Redeem the rewards as cash to principal.
- 3 Paying a mortgage by credit card through a third party usually costs a fee that is larger than the reward. Skip it unless the math is positive.

Repeat: Every monthly payment.

Measure: Reward value after fees, sent to principal.

Risks

- Fees can exceed rewards.
- Carrying a card balance costs far more than the mortgage.

For: Average household, Higher earners, Higher net worth, with assets, Business owners, Newlyweds, Married couples, College students, Single, Grandmas and grandpas (62 and over), No high school diploma, No college degree

Sources

1. Bilt Rewards terms (mortgage payments): <https://www.bilt.com/terms>

2. CNBC Select: Can I pay my mortgage with a credit card?: <https://www.cnbc.com/select/can-pay-mortgage-credit-card/>

15. Family bank: a parent's loan at the IRS minimum rate

Most predictable | From borrowing against another asset (moves the debt, does not erase it)

- 1 A parent lends cash (from savings, or from the parent's own home equity line) to pay down or pay off the child's mortgage.
- 2 Write a real promissory note at or above the IRS applicable federal rate for the term. A loan below that rate can create imputed interest and gift-tax reporting for the parent (IRC §7872).
- 3 Record the note as a mortgage on the child's home so the interest can qualify as home mortgage interest (IRS Pub. 936, secured debt).
- 4 The child keeps paying the old monthly amount, now to the parent. At the family rate more of each payment goes to principal.

Repeat: Once per loan; a parent can relend as the balance falls. Re-check the IRS rate each month a new note is written.

Measure: Months to payoff at the old payment and the family note rate.

Risks

- Money and family mix badly; write down what happens on a missed payment, a divorce or a death.
- If the parent borrowed against their own home, the parent's home is at risk, and their line is often variable.
- The parent's money is no longer available to the parent.

For: Average household, Newlyweds, Married couples, College students, Single, No high school diploma, No college degree, Grandmas and grandpas (62 and over)

Shows in the finder when checked: Family willing and able to help

Sources

1. IRS: Applicable federal rates: <https://www.irs.gov/applicable-federal-rates>
2. 26 U.S. Code §7872: Below-market loans: [https://uscode.house.gov/view.xhtml?req=\(title:26%20section:7872%20edition:prelim\)](https://uscode.house.gov/view.xhtml?req=(title:26%20section:7872%20edition:prelim))
3. IRS Publication 936: Home mortgage interest (secured debt): <https://www.irs.gov/publications/p936>

16. Equity relay: parent's equity in, child's equity out, parent repaid

Depends on people or program rules | From borrowing against another asset (moves the debt, does not erase it)

- 1 The parent draws on a home equity line and pays down the child's mortgage.
- 2 Later the child opens a home equity line on the now low-balance home and repays the parent, who closes their line.
- 3 Be clear about the result: the child now owes the same money on a home equity line instead of the mortgage. It only saves money if the child's final rate is lower than the old mortgage rate, or the family charges less than the bank did.

Repeat: Once; repeating it just moves the same debt back and forth.

Measure: The rate on the child's final debt against the old mortgage rate. Enter it as the new rate in the calculator.

Risks

- Two homes are pledged instead of one.
- Home equity lines are usually variable and can rise above the old mortgage rate.
- The child must qualify for the line when it is time to repay the parent.

For: Married couples, Newlyweds, Single, Grandmas and grandpas (62 and over), Average household

Shows in the finder when checked: Family willing and able to help

Sources

1. CFPB: What is a HELOC?: <https://www.consumerfinance.gov/ask-cfpb/what-is-a-home-equity-line-of-credit-heloc-en-107/>
2. IRS Publication 936: <https://www.irs.gov/publications/p936>

17. Family gifts straight to principal

Most predictable | From an asset you already own

- 1 Parents or grandparents give money each year, each giver to each receiver, up to the IRS annual exclusion, with no gift-tax return needed below it.
- 2 Married givers can each give, and they can give to the child and the child's spouse.
- 3 Pay each gift straight to principal and keep paying the old monthly amount.

Repeat: Every calendar year.

Measure: Gifts applied to principal each year (enter the yearly total in the calculator).

Risks

- A gift is gone for the giver; it cannot be asked back.
- Gifts above the exclusion need a gift-tax return.

For: Newlyweds, Married couples, College students, Single, No high school diploma, No college degree, Average household

Shows in the finder when checked: Family willing and able to help

Sources

1. IRS: Frequently asked questions on gift taxes:

<https://www.irs.gov/businesses/small-businesses-self-employed/frequently-asked-questions-on-gift-taxes>

18. First-lien HELOC with a sweep account (an all-in-one loan)

Depends on markets or variable rates | From a lower cost of the same debt

- 1 Replace the mortgage with a first-lien home equity line that doubles as a checking account.
- 2 Every paycheck lands on the balance the day it arrives, so interest is figured on a lower daily balance; bills are paid from the same line.
- 3 It shortens the payoff only when income exceeds spending month after month.

Repeat: Daily.

Measure: The balance on the same day each month. It must fall every month.

Risks

- The rate is usually variable.
- Spending is easy because the line is open.
- Closing costs and stricter qualifying than an ordinary mortgage.

For: Higher earners, Business owners, Married couples, Single

Sources

1. Bank CMG: All In One Loan (an example of the product type):

<https://www.bankcmg.com/personal/home-loans/all-in-one-loan/>

19. Buyers: have the seller pay down the rate

Most predictable | From a lower cost of the same debt

- 1 Ask the seller for concessions used to buy the rate down permanently with points, instead of a price cut.
- 2 Keep paying what the higher rate would have cost; the difference goes to principal.
- 3 Avoid relying on a temporary buydown: the payment rises when it ends.

Repeat: Each purchase.

Measure: Months to payoff at the bought-down rate and your planned payment.

Risks

- Lenders limit seller concessions.
- Points only pay off if the loan is kept long enough to pass the break-even.

For: Newlyweds, Single, Average household, No high school diploma, No college degree, College students
Shows in the finder when checked: Buying a home now or soon

Sources

1. CFPB: Mortgage options when rates are higher (buydowns):
<https://www.consumerfinance.gov/archive/blog/mortgage-financing-options-in-a-higher-interest-rate-environment/>
2. CFPB: Why a mortgage payment can change:
<https://www.consumerfinance.gov/ask-cfpb/why-did-my-monthly-mortgage-payment-go-up-or-change-en-213/>

20. Sale-leaseback: sell the home to an investor and rent it back

Depends on people or program rules | From an asset you already own

- 1 An investor buys the home, the mortgage is paid off at closing, and the former owner signs a lease to stay.
- 2 It ends the mortgage by ending ownership. Rent replaces the mortgage payment.
- 3 Read every term: the price, the fees, the rent increases, and whether there is a real right to buy back.

Repeat: Once.

Measure: Cash received after fees against the home's appraised value, and the rent over the lease.

Risks

- The FTC warns of hefty fees, high rent and even eviction.
- Future appreciation belongs to the investor.

For: Grandmas and grandpas (62 and over), Higher net worth, with assets

Sources

1. FTC: Offers to cash out your home equity through a sale-leaseback:
<https://consumer.ftc.gov/consumer-alerts/2024/10/risky-business-offers-cash-out-your-home-equity-through-sale-leaseback>

21. Drop mortgage insurance and send that amount to principal

Most predictable | From a lower cost of the same debt

- 1 Check your balance against the home's original value. At 80% you can ask in writing for private mortgage insurance to be cancelled; at 78% it must end automatically if you are current.
- 2 If the home has risen in value, ask the servicer whether a new appraisal can be used to reach 80% sooner.
- 3 Keep paying the same total. The amount that was going to mortgage insurance now goes to principal.

Repeat: Once, when the balance reaches 80%. Check every year from then on if values rise.

Measure: Monthly mortgage insurance removed (enter it as the monthly amount).

Risks

- FHA loans have their own mortgage insurance rules; many keep it for the life of the loan unless refinanced.
- A servicer can require a clean payment history and proof the value has not fallen.

For: Average household, Newlyweds, Married couples, Single, No high school diploma, No college degree, College students

Shows in the finder when checked: Paying private mortgage insurance

Sources

1. CFPB: When can I remove private mortgage insurance?:

<https://www.consumerfinance.gov/ask-cfpb/when-can-i-remove-private-mortgage-insurance-pmi-from-my-loan-en-202/>

2. OCC HelpWithMyBank: PMI removal:

<https://www.helpwithmybank.gov/help-topics/mortgages-home-equity/private-mortgage-insurance/pmi-removal.html>

22. Lower the escrow: appeal the property tax, claim exemptions, use the surplus refund

Depends on people or program rules | From a lower cost of the same debt

- 1 Read your assessment notice line by line (square footage, rooms, condition) and compare it with similar homes. If it is too high, file an appeal by the deadline on the notice.
- 2 Make sure every exemption you qualify for is filed: homestead, senior, disability or veteran, as your state allows.
- 3 When the yearly escrow analysis shows a surplus of \$50 or more, the servicer must refund it within 30 days. Send the refund to principal.
- 4 Keep paying the same total; the lower escrow amount goes to principal.

Repeat: Every assessment year, and every escrow analysis.

Measure: Monthly escrow reduction plus any surplus refund (yearly amount).

Risks

- An appeal can be denied, and in some places the assessment can be raised on review.
- Deadlines are short and differ by county.

For: Average household, Married couples, Single, Grandmas and grandpas (62 and over), No high school diploma, No college degree, Newlyweds

Sources

1. CFPB: Regulation X §1024.17, escrow accounts (surplus refunds):

<https://www.consumerfinance.gov/rules-policy/regulations/1024/17>

2. Illinois Department of Revenue: Assessment appeals (one state's process):

<https://tax.illinois.gov/localgovernments/property/appeals.html>

3. Maryland SDAT: Assessment appeal process (another state's process):

<https://dat.maryland.gov/realproperty/pages/assessment-appeal-process.aspx>

23. Re-shop homeowners insurance and send the savings to principal

Depends on people or program rules | From a lower cost of the same debt

- 1 Get at least three quotes for the same coverage, deductible and limits.
- 2 Ask about discounts for bundling, security systems, a newer roof or claim-free years.
- 3 If escrow pays the premium, tell the servicer about the new policy; the lower escrow amount goes to principal while the total stays the same.

Repeat: Every renewal.

Measure: Yearly premium saved, divided by 12.

Risks

- Cheaper can mean less coverage; compare the dwelling limit, deductibles and exclusions, not only the price.
- Never let coverage lapse; the lender can place costly insurance on the loan.

For: Average household, Married couples, Single, Grandmas and grandpas (62 and over), Newlyweds, Higher earners, No high school diploma, No college degree

Sources

1. NAIC: A consumer's guide to home insurance:

<https://content.naic.org/sites/default/files/publication-hoi-pp-consumer-homeowners.pdf>

2. NAIC: A shopping tool for homeowners insurance:

https://content.naic.org/sites/default/files/committees_c_trans_read_wg_related_shopping_tool_singles.pdf

24. Reimburse yourself from your HSA for old medical receipts

Most predictable | From an asset you already own

- 1 Gather receipts for qualified medical expenses paid out of pocket since the HSA was opened that were never reimbursed or deducted.
- 2 Take a tax-free HSA distribution for their total; the IRS sets no deadline as long as the expense came after the account was opened.
- 3 Send it to principal.

Repeat: Whenever receipts build up.

Measure: Receipts reimbursed (enter as a one-time amount).

Risks

- Keep the receipts; without them the distribution can be taxed plus a 20% additional tax before 65.
- Money taken out stops growing tax-free for future care.

For: Average household, Higher earners, Married couples, Single, Business owners, Newlyweds

Shows in the finder when checked: Has a health savings account

Sources

1. IRS Publication 969: Health savings accounts: <https://www.irs.gov/publications/p969>

25. Roth IRA contributions (not earnings) to principal

Most predictable | From an asset you already own

- 1 Roth IRA withdrawals come out of regular contributions first, and those can be taken at any age without tax or penalty.
- 2 Total your contributions (Form 5498 each year) and take no more than that.
- 3 Send it to principal only if retirement savings are otherwise on track.

Repeat: Once, or whenever a decision is made to trade retirement growth for a paid-off home.

Measure: Contributions withdrawn (enter as a one-time amount).

Risks

- Contributions cannot be put back except within normal yearly limits; tax-free growth on them is lost for good.
- Withdrawing earnings or converted amounts early can be taxed and penalized.

For: Average household, Higher earners, Married couples, Single, No college degree

Shows in the finder when checked: Has a Roth IRA

Sources

1. IRS Publication 590-B: Distributions from IRAs (ordering rules): <https://www.irs.gov/publications/p590b>

26. First-time buyers: a Mortgage Credit Certificate

Most predictable | From new cash flow, not your paycheck

- 1 Ask your state or local housing finance agency whether it issues Mortgage Credit Certificates and whether you qualify. They are usually for first-time buyers under income and price limits.
- 2 Each year a percentage of your mortgage interest becomes a tax credit (Form 8396), a dollar-for-dollar cut in tax.
- 3 Raise withholding to match, or send the larger refund to principal.

Repeat: Every tax year for the life of the loan.

Measure: Yearly credit (enter as a yearly amount, or a twelfth of it as a monthly amount).

Risks

- The certificate must be issued at purchase; it cannot be added later.
- Selling within nine years can trigger a federal recapture tax.

For: Newlyweds, Single, College students, No high school diploma, No college degree, Average household

Shows in the finder when checked: First-time home buyer; Buying a home now or soon

Sources

1. IRS: About Form 8396, Mortgage interest credit: <https://www.irs.gov/forms-pubs/about-form-8396>
2. IRS Publication 530: Tax information for homeowners: <https://www.irs.gov/publications/p530>

27. Build or convert an accessory unit and rent it

Depends on people or program rules | From new cash flow, not your paycheck

- 1 Check local zoning for accessory dwelling units (a basement, garage or backyard unit).
- 2 Price the build and its financing honestly; the rent must cover that cost before any is extra.
- 3 Send the net rent (after the unit's own costs and loan) to principal.

Repeat: Monthly rent.

Measure: Net monthly rent after the unit's costs.

Risks

- Building costs, vacancy and tenant problems.
- Permits, insurance changes and higher property tax.
- Rental income is taxable.

For: Married couples, Business owners, Grandmas and grandpas (62 and over), Higher earners, Average household
Shows in the finder when checked: A spare room, unit or space to rent

Sources

1. Fannie Mae: Accessory dwelling unit income: <https://singlefamily.fanniemae.com/media/8251/display>
2. Fannie Mae Selling Guide: Rental income from the subject property: <https://selling-guide.fanniemae.com/sel/b3-3.8-02/rental-income-subject-property>

28. Veterans: a VA streamline refinance (IRRRL) at the same payment

Most predictable | From a lower cost of the same debt

- 1 With an existing VA-backed loan, ask lenders for an interest rate reduction refinance loan.
- 2 Compare total closing costs and the funding fee with the interest saved.
- 3 After closing, keep paying the old amount; the difference goes to principal.

Repeat: Whenever rates fall enough to cover costs.

Measure: Months to payoff at the new rate and the old payment.

Risks

- Rolling costs into the loan raises the balance.
- Resetting to a new 30-year term undoes the benefit unless the old payment is kept.

For: Average household, Married couples, Single, Grandmas and grandpas (62 and over), No high school diploma, No college degree, Newlyweds

Shows in the finder when checked: Veteran with a VA loan

Sources

1. VA: Interest rate reduction refinance loan: <https://www.va.gov/housing-assistance/home-loans/loan-types/interest-rate-reduction-loan/>
2. VA Home Loans: IRRRL: <https://www.benefits.va.gov/HOMELOANS/irrml.asp>

29. Rent the home by the day for photo shoots, filming and small events

Depends on people or program rules | From new cash flow, not your paycheck

- 1 List the house, yard or a single room with a location-rental service or your city's film office.
- 2 Set house rules, a damage deposit and the hours; confirm your homeowners insurance and HOA allow it, or add event or production coverage.
- 3 Rented 14 days or fewer a year and lived in as your home, the rent is generally not reported for tax (more than that, it is). Send each booking's net to principal.

Repeat: Each booking.

Measure: Net booking income for the year (enter as a yearly amount).

Risks

- Damage, neighbors and noise rules.
- Bookings are uneven and cannot be counted on.
- Over 14 days, the income is taxable and expenses must be split.

For: Married couples, Single, Business owners, Higher earners, Average household

Sources

1. IRS Topic 415: Renting residential and vacation property (the 14-day rule): <https://www.irs.gov/taxtopics/tc415>

30. Rent out the driveway, garage, shed or attic for parking and storage

Depends on people or program rules | From new cash flow, not your paycheck

- 1 Measure the space and list it for parking, RV or boat storage, or dry storage on a neighbor-to-neighbor platform.
- 2 Write a short agreement: access hours, what may not be stored (fuel, hazardous items), and who insures the contents.
- 3 Send the monthly rent to principal.

Repeat: Monthly.

Measure: Monthly rent received.

Risks

- HOA rules or local zoning may forbid it.
- Liability if someone is hurt; check your policy.
- Rental income is taxable.

For: Average household, Single, College students, No high school diploma, No college degree, Grandmas and grandpas (62 and over), Newlyweds

Shows in the finder when checked: A spare room, unit or space to rent

Sources

1. IRS Topic 414: Rental income and expenses: <https://www.irs.gov/taxtopics/tc414>

31. Put the land to work: hunting lease, timber sale, billboard or cell-site lease

Depends on markets or variable rates | From new cash flow, not your paycheck

- 1 List what the land has: wooded acres, road frontage, a high point, wildlife.
- 2 For timber, hire a consulting forester and sell by sealed bid, not to the first buyer who knocks. For leases, use a written lease with liability terms.
- 3 Ask your lender before granting any long lease or easement; the mortgage may require consent.
- 4 Send each payment to principal.

Repeat: Yearly lease payments; timber every few decades.

Measure: Yearly lease or sale proceeds after tax.

Risks

- Timber prices swing, and cutting changes the land for years.
- A long lease can limit a future sale.
- Liability for hunters and workers on the land.

For: Grandmas and grandpas (62 and over), Married couples, Higher net worth, with assets, Business owners
Shows in the finder when checked: Owns acreage or a large lot

Sources

1. USDA Forest Service: Tax tips for forest landowners: <https://www.fs.usda.gov/land/taxtips.pdf>
2. National Timber Tax: The forest landowner's guide to federal income tax: <https://www.timbertax.org/publications/fs/ahandbook/ch3/>
3. IRS Topic 414: Rental income and expenses: <https://www.irs.gov/taxtopics/tc414>

32. Find money already owed to you: unclaimed property and old savings bonds

Depends on people or program rules | From an asset you already own

- 1 Search every state you have lived in through the free official map on unclaimed.org (old deposits, refunds, insurance proceeds, uncashed checks). Search for parents and late relatives too, if you are an heir.
- 2 Search Treasury Hunt for savings bonds that matured and stopped earning interest.
- 3 Never pay a finder's fee for what is free to claim. Send what you recover to principal.

Repeat: Once a year, and after every move.

Measure: Amount recovered (enter as a one-time amount).

Risks

- Scam sites charge for free searches; use only official state sites.
- Many searches find nothing.

For: Average household, Single, Married couples, Grandmas and grandpas (62 and over), No high school diploma, No college degree, College students, Newlyweds

Sources

1. NAUPA: Search for your unclaimed property (free): <https://unclaimed.org/search/>
2. TreasuryDirect: Treasury Hunt: <https://www.treasurydirect.gov/savings-bonds/treasury-hunt/>

33. Cut the utility bills with free weatherization and rebates

Depends on people or program rules | From a lower cost of the same debt

- 1 If household income is at or below 200% of the poverty guidelines, apply to your state's Weatherization Assistance Program for free insulation, sealing and repairs.
- 2 Anyone can use the ENERGY STAR rebate finder for utility rebates on efficient equipment when something needs replacing.
- 3 Compare the bill before and after; send the drop to principal.

Repeat: Once for the work, then every month in savings.

Measure: Average monthly utility savings.

Risks

- Waiting lists for weatherization.
- Savings depend on weather and rates.

For: No high school diploma, No college degree, Grandmas and grandpas (62 and over), Average household, Single, College students

Sources

1. U.S. Department of Energy: How to apply for weatherization assistance: <https://www.energy.gov/cmei/scep/wap/how-apply-weatherization-assistance>
2. ENERGY STAR: Rebate finder: <https://www.energystar.gov/rebate-finder>

34. 62 and over: postpone the property tax and pay down the mortgage instead

Depends on people or program rules | From a lower cost of the same debt

- 1 Some states let seniors, blind or disabled homeowners postpone current property taxes; the state pays them and records a lien that is repaid when the home is sold.
- 2 Compare the program's interest rate with the mortgage rate. It only helps when the program costs less.
- 3 Send the monthly escrow amount saved to principal.

Repeat: Apply each year.

Measure: Monthly property tax no longer escrowed.

Risks

- The postponed taxes and interest are a lien that reduces equity left to heirs.
- Income and equity limits apply, and not every state offers a program.
- A lender may require proof the taxes are handled.

For: Grandmas and grandpas (62 and over)

Shows in the finder when checked: 62 or older

Sources

1. California State Controller: Property Tax Postponement (one state's program): https://www.sco.ca.gov/ardtax_prop_tax_postponement.html
2. California State Controller: Fact sheet: https://www.sco.ca.gov/ardtax_fact_sheet.html

35. Home sharing through a nonprofit matching program

Depends on people or program rules | From new cash flow, not your paycheck

- 1 A nonprofit home-sharing program screens and matches a homeowner with a home-seeker, often a student, worker or another senior.
- 2 Rent, help around the house, or both are written into an agreement.
- 3 Send the rent to principal.

Repeat: Monthly.

Measure: Monthly rent received.

Risks

- Living with someone new; the program's screening matters.
- Rent is taxable income above expenses.
- Check insurance and any rules on lodgers.

For: Grandmas and grandpas (62 and over), Single, Average household

Shows in the finder when checked: 62 or older; A spare room, unit or space to rent

Sources

1. National Shared Housing Resource Center: <https://www.nationalsharedhousing.org/>
2. NSHRC: Program directory: <https://www.nationalsharedhousing.org/program-directory>

36. Landowners: a genuine conservation easement on land you keep

Depends on people or program rules | From new cash flow, not your paycheck

- 1 Donate an easement that permanently limits development of your own land to a qualified land trust; you keep owning and using the land.
- 2 A qualified appraisal sets the deduction. The tax saved each year can go to principal.
- 3 Get lender consent; most mortgages require the lender to subordinate to the easement.

Repeat: Once; the deduction can carry forward for several years.

Measure: Tax saved each year (enter as a yearly amount).

Risks

- It is permanent and lowers the land's market value.
- Syndicated deals that promise deductions several times the investment are an IRS listed transaction; stay away from them.
- Appraisals are audited closely.

For: Higher net worth, with assets, Business owners, Grandmas and grandpas (62 and over), Higher earners

Shows in the finder when checked: Owns acreage or a large lot

Sources

1. IRS Publication 5464: Conservation easement audit technique guide: <https://www.irs.gov/pub/irs-pdf/p5464.pdf>

37. Rent the whole home for a big local event week

Depends on people or program rules | From new cash flow, not your paycheck

- 1 Mark the dates when hotels near you sell out: a major golf tournament, a college graduation or football weekend, a festival or a race.
- 2 Rent the home for that week at the going rate, and stay with family or travel.
- 3 Lived in as your home and rented 14 days or fewer in the year, the rent is generally not reported for tax. Send it all to principal.

Repeat: Every year the event returns.

Measure: Rent for the event week (enter as a yearly amount).

Risks

- Local short-term rental rules, permits and HOA bans.
- Damage and cancellations; use a deposit and written terms.
- Over 14 days in the year, the income is taxable.

For: Married couples, Single, Grandmas and grandpas (62 and over), Average household, Newlyweds, Higher earners
Sources

1. IRS Topic 415: Renting residential and vacation property (the 14-day rule): <https://www.irs.gov/taxtopics/tc415>

38. Paid family caregiving at home through a Medicaid program

Depends on people or program rules | From new cash flow, not your paycheck

- 1 If a parent or relative who qualifies for Medicaid home care lives with you, ask the state whether its self-directed program lets them hire a family member as the caregiver.
- 2 Payments under a qualified Medicaid waiver for care of someone living in your home may be excludable from income (IRS Notice 2014-7).
- 3 Send what remains after the household's added costs to principal.

Repeat: Monthly, for as long as care is needed and approved.

Measure: Monthly caregiver pay after added household costs.

Risks

- Caregiving is hard work, and the pay can end when the care plan changes.
- Programs and pay rates differ by state; some do not pay spouses or legal guardians.
- Confirm the tax treatment with a CPA.

For: Married couples, Single, Average household, No high school diploma, No college degree, Grandmas and grandpas (62 and over)

Shows in the finder when checked: Caring for a relative who lives in the home

Sources

1. IRS: Certain Medicaid waiver payments may be excludable from income: <https://www.irs.gov/individuals/certain-medicaid-waiver-payments-may-be-excludable-from-income>
2. Medicaid.gov: Self-directed services: <https://www.medicaid.gov/medicaid/long-term-services-supports/self-directed-services>

39. Active duty: the 6% SCRA cap on a pre-service mortgage, at the old payment

Most predictable | From a lower cost of the same debt

- 1 If you took the mortgage out before entering active duty and its rate is above 6%, send the servicer a written request with a copy of your orders, no later than 180 days after service ends.
- 2 Interest above 6% is forgiven, not deferred, for the whole service period and one year after.
- 3 Keep paying the old amount; the difference goes to principal.

Repeat: Once per period of service; ask again after a new call-up.

Measure: Months to payoff at 6% with the old payment.

Risks

- Only loans taken out before active duty qualify.
- The cap ends one year after service ends; plan for the original rate to return.

For: Average household, Married couples, Single, Newlyweds, No high school diploma, No college degree, College students

Shows in the finder when checked: On active duty, with a mortgage from before service

Sources

1. U.S. Department of Justice: 6% interest rate cap for servicemembers on pre-service debts: <https://www.justice.gov/servicemembers/your-rights-servicemember-6-interest-rate-cap-servicemembers-pre-service-debts>
2. CFPB: Are there limits on what I can be charged for a loan in the military?: <https://www.consumerfinance.gov/ask-cfpb/im-in-the-military-are-there-limits-on-how-much-i-can-be-charged-for-a-loan-en-893/>

40. Kill the costlier debts first, then roll everything into the mortgage

Most predictable | From new cash flow, not your paycheck

- 1 List every debt with its rate. Any debt costing more than the mortgage (cards, personal loans, many car loans) gets the extra money first; that is the higher return.
- 2 Pay minimums on the rest and put every spare dollar on the highest rate until it is gone, then the next.
- 3 When only the mortgage is left, every freed payment goes to its principal.

Repeat: Each time a debt is paid off.

Measure: Total freed monthly payments once the costlier debts are gone.

Risks

- Running balances back up undoes it.
- Keep a small emergency fund so a surprise bill does not go on a card.

For: Average household, Single, Newlyweds, Married couples, College students, No high school diploma, No college degree

Shows in the finder when checked: Has car, card or other loan payments

Sources

1. Fidelity: Debt avalanche versus debt snowball: <https://www.fidelity.com/learning-center/personal-finance/avalanche-snowball-debt>

41. Inherited assets: sell after the basis steps up, pay principal

Most predictable | From an asset you already own

- 1 Property inherited from someone who died generally takes a basis equal to its value on the date of death, so gains before death are not taxed when you sell.
- 2 Get a date-of-death appraisal or statement and keep it.
- 3 Sell what you do not want to keep and send the proceeds to principal, then ask for a recast.

Repeat: Once, when an estate settles.

Measure: Net sale proceeds (enter as a one-time amount).

Risks

- Inherited retirement accounts do not step up; withdrawals are taxed.
- Selling a family asset is a family decision.
- Gains after the date of death are taxed.

For: Average household, Married couples, Single, Higher net worth, with assets, Grandmas and grandpas (62 and over), No high school diploma, No college degree

Shows in the finder when checked: Inherited, or is inheriting, property

Sources

1. IRS: Gifts and inheritances (basis of inherited property):

<https://www.irs.gov/faqs/interest-dividends-other-types-of-income/gifts-inheritances/gifts-inheritances>

2. IRS Publication 551: Basis of assets: <https://www.irs.gov/publications/p551>

42. 70½ and over: give from the IRA directly and send the tax saved to principal

Most predictable | From new cash flow, not your paycheck

- 1 If you already give to charity, have the IRA pay the charity directly (a qualified charitable distribution) instead of writing checks from the bank.
- 2 The gift is left out of taxable income, up to the yearly IRS limit, and counts toward required distributions from 73.
- 3 Keep giving the same amount; the tax you no longer owe goes to principal.

Repeat: Every tax year.

Measure: Tax saved for the year (enter as a yearly amount).

Risks

- Only for money you would give anyway; it is not a way to make money.
- The check must go straight from the IRA to the charity, and you cannot also deduct it.

For: Grandmas and grandpas (62 and over), Higher net worth, with assets

Shows in the finder when checked: 70½ or older; Gives to charity every year

Sources

1. IRS: Retirement plan FAQs on IRA distributions (qualified charitable distributions):

<https://www.irs.gov/retirement-plans/retirement-plans-faqs-regarding-iras-distributions-withdrawals>

2. Congressional Research Service: Qualified charitable distributions: <https://www.congress.gov/crs-product/IF11377>

43. 65 and over: sell a policy you no longer need instead of surrendering it

Depends on markets or variable rates | From an asset you already own

- 1 If coverage is no longer needed and premiums are a burden, compare the surrender value with offers from licensed life settlement providers; offers can be higher.
- 2 Use a licensed broker who works for you, and get several offers.
- 3 Send the proceeds after tax to principal and ask for a recast.

Repeat: Once.

Measure: Net proceeds after tax and fees (enter as a one-time amount).

Risks

- Your heirs lose what the policy would have paid them.
- Part of the proceeds can be taxable; fees can be large.
- It can affect Medicaid and other benefits.
- Check first whether the policy can be reduced or converted instead.

For: Grandmas and grandpas (62 and over), Higher net worth, with assets

Shows in the finder when checked: 65 or older; Owns a policy that is no longer needed

Sources

1. NAIC: Understanding life settlements: <https://content.naic.org/sites/default/files/publications-consumer-life-settlement.pdf>
2. New Jersey Department of Banking and Insurance: Viatical and life settlements: https://www.nj.gov/dobi/division_consumers/insurance/viaticalsettlements.htm

44. Run a licensed family child care home

Depends on people or program rules | From new cash flow, not your paycheck

- 1 Get your state's family child care license: training, a home inspection and background checks.
- 2 Join the USDA Child and Adult Care Food Program to be reimbursed for meals and snacks you serve.
- 3 Part of the home's costs can be deducted for the business use. Send the net income to principal.

Repeat: Monthly.

Measure: Net monthly income after costs and tax.

Risks

- Long days and real responsibility for children.
- Zoning, HOA and insurance requirements.
- Income ends if you stop.

For: Married couples, Newlyweds, Single, No high school diploma, No college degree, Average household, Grandmas and grandpas (62 and over)

Sources

1. ChildCare.gov: Family child care homes: <https://childcare.gov/consumer-education/what-are-my-child-care-options/family-child-care-homes>
2. USDA: CACFP family day care homes: <https://www.fns.usda.gov/cacfp/family-day-care-homes>

45. Run childcare and commuting through pre-tax workplace benefits

Most predictable | From new cash flow, not your paycheck

- 1 If you already pay for daycare or after-school care, enroll in your employer's dependent care account; the money comes out before tax, up to the yearly limit.
- 2 Do the same for transit passes or work parking through a commuter benefit, if your employer offers one.
- 3 Spending stays the same. Raise nothing; the tax you no longer pay goes to principal each month.

Repeat: Each open enrollment.

Measure: Monthly tax saved (pre-tax amount times your tax rate).

Risks

- Unused dependent care money can be lost at year end; elect only what you will spend.
- You cannot claim the child care credit on the same dollars.

For: Average household, Married couples, Newlyweds, Single, Higher earners, No college degree

Sources

1. IRS Publication 15-B: Employer's tax guide to fringe benefits: <https://www.irs.gov/publications/p15b>

46. Claim every tax credit you qualify for and send the refund to principal

Most predictable | From new cash flow, not your paycheck

- 1 Check the Earned Income Tax Credit tables against your income and family size; many who qualify never claim it.
- 2 If you save in an IRA or workplace plan, check the Saver's Credit; if you pay for child care, check the child and dependent care credit.
- 3 File with free help if eligible, and send the refund to principal the day it arrives.

Repeat: Every tax year.

Measure: Credits claimed (enter as a yearly amount).

Risks

- Claim only what you qualify for; wrong claims can be denied with penalties.
- Credit rules and income limits change yearly.

For: Average household, Single, No high school diploma, No college degree, College students, Grandmas and grandpas (62 and over), Married couples, Newlyweds

Sources

1. IRS: Earned Income Tax Credit tables: <https://www.irs.gov/credits-deductions/individuals/earned-income-tax-credit/earned-income-and-earned-income-tax-credit-eitc-tables>
2. IRS: Retirement Savings Contributions Credit (Saver's Credit): <https://www.irs.gov/retirement-plans/plan-participant-employee/retirement-savings-contributions-credit-savers-credit>

47. Amend the last three years of returns for missed deductions and credits

Depends on people or program rules | From new cash flow, not your paycheck

- 1 Have a tax preparer review your last three returns for missed credits, deductions or filing status errors.
- 2 File Form 1040-X for any year that shows a refund; generally within 3 years of filing or 2 years of paying the tax, whichever is later.
- 3 Send each refund to principal.

Repeat: Once, then each year as a check.

Measure: Refunds received (enter as a one-time amount).

Risks

- An amended return can also show you owe more.
- Preparer fees; pick a preparer who does not charge a percentage of the refund.

For: Average household, Married couples, Single, Business owners, Higher earners, No high school diploma, No college degree, Grandmas and grandpas (62 and over)

Sources

1. IRS: Instructions for Form 1040-X: <https://www.irs.gov/instructions/i1040x>

48. Rent out a car, trailer, tools or gear you rarely use

Depends on people or program rules | From new cash flow, not your paycheck

- 1 List idle things with steady demand: a second car, a trailer, a camper, a pressure washer, camera or camping gear.
- 2 Use a platform that carries its own insurance; your personal policy usually does not cover renting to others.
- 3 Send the net income to principal each month.

Repeat: Monthly.

Measure: Net monthly income after platform fees, wear and tax.

Risks

- Wear, damage and theft.
- A personal auto policy may exclude rentals; confirm coverage in writing.
- The income is taxable.

For: Average household, Single, Married couples, Newlyweds, College students, No high school diploma, No college degree

Sources

1. IRS: Gig economy tax center: <https://www.irs.gov/businesses/gig-economy-tax-center>

49. Pet sitting and boarding from home

Depends on people or program rules | From new cash flow, not your paycheck

- 1 If you are home and like animals, offer pet sitting, day care or overnight boarding through a booking service or neighbors.
- 2 Check local rules on keeping other people's animals, and get pet-care liability coverage.
- 3 Send the net to principal.

Repeat: Weekly bookings.

Measure: Net monthly income.

Risks

- Bites, damage and escaped pets.
- HOA and zoning rules.
- The income is taxable.

For: Single, Grandmas and grandpas (62 and over), College students, No high school diploma, No college degree, Average household, Married couples

Sources

1. IRS: Gig economy tax center: <https://www.irs.gov/businesses/gig-economy-tax-center>

50. Sell baked goods or preserves from your kitchen under your state's cottage food law

Depends on people or program rules | From new cash flow, not your paycheck

- 1 Read your state's cottage food rules: which foods are allowed, labeling, sales limits and whether a license is required.
- 2 Sell at farmers markets, to neighbors or online where allowed.
- 3 Send the net to principal.

Repeat: Weekly or seasonal.

Measure: Net monthly income after ingredients and fees.

Risks

- Rules differ by state; some foods need a licensed kitchen.
- Food safety liability.
- The income is taxable.

For: Grandmas and grandpas (62 and over), Single, Married couples, No high school diploma, No college degree, Average household, Newlyweds

Sources

1. Michigan Department of Agriculture: Cottage food getting started (one state's rules): <https://www.michigan.gov/mdard/food-dairy/cottage-food/getting-started-faq>
2. Georgia Department of Agriculture: Cottage food (another state's rules): <https://www.agr.georgia.gov/cottage-food>

51. Split off and sell extra land, with the lender's partial release

Depends on markets or variable rates | From an asset you already own

- 1 If the lot is large enough to divide under local zoning, get a survey and a subdivision approval.
- 2 Ask the servicer for a partial release of the land being sold; the lender will usually require the proceeds to go to principal.
- 3 Sell the parcel, pay principal, then ask for a recast.

Repeat: Once.

Measure: Net sale proceeds (enter as a one-time amount).

Risks

- Surveys, permits and approval can take months and cost money.
- A new neighbor next door.
- The lender can refuse the release; capital gains tax may apply.

For: Grandmas and grandpas (62 and over), Married couples, Higher net worth, with assets, Business owners

Shows in the finder when checked: Owns acreage or a large lot

Sources

1. Fannie Mae Servicing Guide: Release or partial release of property securing a mortgage: <https://servicing-guide.fanniemae.com/svc/d1-1-01/evaluating-request-release-or-partial-release-property-securing-mortgage-loan>

52. Rent the home for a season and live somewhere cheaper

Depends on people or program rules | From new cash flow, not your paycheck

- 1 If you travel for a season (snowbirds, a summer away, a work posting), rent the home furnished for those months.
- 2 Stay with family or in a cheaper place; the rent minus your costs goes to principal.
- 3 Use a written lease and screened tenants.

Repeat: Every season.

Measure: Net seasonal rent after your own lodging (enter as a yearly amount).

Risks

- More than 14 days of rent is taxable, and expenses must be split.
- Wear, damage and short-term rental rules.
- Tell the lender and insurer; some policies exclude rented homes.

For: Grandmas and grandpas (62 and over), Married couples, Single, Higher earners

Sources

1. IRS Topic 415: Renting residential and vacation property: <https://www.irs.gov/taxtopics/tc415>

53. 65 and over with limited income: let a Medicare Savings Program pay the premiums

Most predictable | From a lower cost of the same debt

- 1 Apply through your state Medicaid office for a Medicare Savings Program; it can pay Part B premiums and sometimes deductibles and copays.
- 2 Apply for Extra Help with drug plan costs at the same time.
- 3 The premium no longer taken from Social Security goes to principal.

Repeat: Renew as the state requires.

Measure: Monthly premiums no longer paid.

Risks

- **Income and resource limits apply and differ by state.**

For: Grandmas and grandpas (62 and over)

Shows in the finder when checked: 65 or older; Limited income

Sources

1. Medicare.gov: Medicare Savings Programs: <https://www.medicare.gov/basics/costs/help/medicare-savings-programs>
2. Medicare.gov: Help with drug costs (Extra Help): <https://www.medicare.gov/basics/costs/help/drug-costs>

54. Energy bill help through LIHEAP

Depends on people or program rules | From a lower cost of the same debt

- 1 Apply to your state's Low Income Home Energy Assistance Program for help with heating or cooling bills.
- 2 The amount you would have paid on those bills goes to principal.
- 3 Combine with free weatherization for a lasting cut.

Repeat: Each heating or cooling season.

Measure: Bill help received (enter as a yearly amount).

Risks

- **Funding runs out each year; apply early.**
- **Income limits apply.**

For: Average household, Single, No high school diploma, No college degree, College students, Grandmas and grandpas (62 and over)

Shows in the finder when checked: Limited income

Sources

1. Administration for Children and Families: LIHEAP: <https://acf.gov/ocs/programs/liheap>

55. Phone or internet discount through Lifeline

Most predictable | From a lower cost of the same debt

- 1 If you get SNAP, Medicaid, SSI, federal housing help or a Veterans pension, or have low income, apply for Lifeline.
- 2 It takes a discount off a phone or internet bill each month.
- 3 Send the discount to principal.

Repeat: Monthly, renewed yearly.

Measure: Monthly discount.

Risks

- One discount per household.
- Small amounts; it works best stacked with others.

For: Average household, Single, No high school diploma, No college degree, College students, Grandmas and grandpas (62 and over)

Shows in the finder when checked: Limited income

Sources

1. FCC: Lifeline support for affordable communications: <https://www.fcc.gov/lifeline-consumers>

56. Raise insurance deductibles once a reserve covers them

Depends on people or program rules | From a lower cost of the same debt

- 1 First, set aside cash equal to the new home and auto deductibles.
- 2 Then raise the deductibles; the premiums drop.
- 3 Send the premium savings to principal.

Repeat: Each renewal.

Measure: Monthly premium saved.

Risks

- A claim costs more out of pocket.
- Do not do this without the reserve in place.

For: Average household, Married couples, Single, Higher earners, Newlyweds

Sources

1. NAIC: A consumer's guide to home insurance: <https://content.naic.org/sites/default/files/publication-hoi-pp-consumer-homeowners.pdf>
2. NAIC: Auto insurance consumer guide: <https://content.naic.org/consumer/auto-insurance.htm>

57. Re-shop auto insurance and send the savings to principal

Depends on people or program rules | From a lower cost of the same debt

- 1 Get at least three quotes for the same coverage.
- 2 Ask about bundling, safe-driver, low-mileage and usage-based discounts.
- 3 Send the monthly difference to principal.

Repeat: Every renewal.

Measure: Monthly premium saved.

Risks

- Cheaper can mean less coverage; compare limits, not just price.
- Usage-based programs can raise rates for some drivers.

For: Average household, Higher earners, Higher net worth, with assets, Business owners, Newlyweds, Married couples, College students, Single, Grandmas and grandpas (62 and over), No high school diploma, No college degree
Sources

1. NAIC: A shopping tool for auto insurance: <https://content.naic.org/sites/default/files/consumer-auto-shopping-tool.pdf>

58. Sell what sits unused: gold jewelry, collectibles, a boat or a second vehicle

Depends on markets or variable rates | From an asset you already own

- 1 List items worth real money you no longer use.
- 2 Get more than one appraisal or offer; sell through reputable dealers or auctions.
- 3 Send the proceeds to principal; selling a boat or car also ends its insurance, storage and upkeep, which goes to principal monthly.

Repeat: Once per item.

Measure: Net proceeds (enter as a one-time amount).

Risks

- Prices swing; gold and collectibles can sell below what was paid.
- Gains on collectibles are taxed at up to 28%; losses on personal items are not deductible.

For: Average household, Higher earners, Higher net worth, with assets, Business owners, Newlyweds, Married couples, College students, Single, Grandmas and grandpas (62 and over), No high school diploma, No college degree
Sources

1. IRS Topic 409: Capital gains and losses (collectibles rate): <https://www.irs.gov/taxtopics/tc409>

59. Sell a timeshare or vacation property that costs more than it gives

Depends on markets or variable rates | From an asset you already own

- 1 Add up its yearly fees, taxes, insurance and travel. If you rarely use it, it is a second mortgage-sized drain.
- 2 Sell through a licensed agent or the developer's own resale or exit program. Never pay a reseller up front.
- 3 Send the proceeds and the ended yearly costs to principal.

Repeat: Once.

Measure: Net proceeds plus yearly costs ended.

Risks

- Timeshares often resell for little; the gain is the ended fees.
- Resale scams are common; check with the state attorney general before paying anyone.

For: Grandmas and grandpas (62 and over), Married couples, Higher net worth, with assets, Higher earners, Average household

Shows in the finder when checked: Owns a timeshare or vacation property

Sources

1. FTC: Timeshares, vacation clubs and related scams:
<https://consumer.ftc.gov/articles/timeshares-vacation-clubs-and-related-scams>
2. FTC: Thinking about selling your timeshare? Key steps to avoid scams:
<https://consumer.ftc.gov/consumer-alerts/2025/09/thinking-about-selling-your-timeshare-key-steps-avoid-scams>

60. Claim your state's property tax credit or circuit breaker

Most predictable | From a lower cost of the same debt

- 1 Many states give a credit or rebate when property taxes are high compared with income (often called a circuit breaker).
- 2 Check your state revenue department and file the form with your state return.
- 3 Send the credit to principal.

Repeat: Every tax year.

Measure: Credit received (enter as a yearly amount).

Risks

- Not every state has one; limits differ.

For: Average household, Single, No high school diploma, No college degree, College students, Grandmas and grandpas (62 and over), Married couples

Sources

1. Michigan Department of Treasury: Homestead property tax credit (one state's program): <https://www.michigan.gov/treasury/news/2026/03/06/michigan-taxpayers-encouraged-to-check-eligibility-for-homestead-property-tax-credit>

61. Merge households: a parent sells, moves in and shares the costs

Depends on people or program rules | From new cash flow, not your paycheck

- 1 If a parent wants to live with family, they can sell their home and may exclude up to \$250,000 of gain (\$500,000 married) from tax.
- 2 Write down what they pay each month toward the household, or what they lend at the IRS minimum rate.
- 3 Their monthly share goes to principal.

Repeat: Monthly.

Measure: Monthly share received.

Risks

- Living together is a big change for everyone.
- A gift from a parent can count against Medicaid eligibility for five years; get elder-law advice.
- Put the arrangement in writing so siblings understand it.

For: Married couples, Newlyweds, Single, Average household, No high school diploma, No college degree

Shows in the finder when checked: Family willing and able to help

Sources

1. IRS Publication 523: Selling your home: <https://www.irs.gov/publications/p523>

62. Self-employed: take the home office deduction and send the tax saved to principal

Most predictable | From new cash flow, not your paycheck

- 1 If part of the home is used regularly and only for your business, you can deduct it.
- 2 The simplified method is \$5 per square foot, up to 300 square feet; or use actual expenses.
- 3 Send the tax saved to principal.

Repeat: Every tax year.

Measure: Tax saved (enter as a yearly amount).

Risks

- W-2 employees cannot take this deduction.
- Using actual expenses can mean depreciation recapture when you sell.

For: Business owners, Higher earners

Shows in the finder when checked: Owns a business or is self-employed

Sources

1. IRS Publication 587: Business use of your home: <https://www.irs.gov/publications/p587>

63. Business owners: pay your children for real work

Depends on people or program rules | From new cash flow, not your paycheck

- 1 In a sole proprietorship or a partnership of only the parents, wages to a child under 18 are not subject to Social Security and Medicare tax.
- 2 Pay a fair wage for real work, keep timesheets, and file payroll forms.
- 3 The tax saved goes to principal; the child's pay is theirs.

Repeat: Every year.

Measure: Tax saved (enter as a yearly amount).

Risks

- The work must be real and the pay reasonable.
- The rule does not apply to corporations.

For: Business owners

Shows in the finder when checked: Owns a business or is self-employed

Sources

1. IRS: Family employees: <https://www.irs.gov/businesses/small-businesses-self-employed/family-employees>

64. Selling another property? Carry the note and route its payments to principal

Depends on people or program rules | From new cash flow, not your paycheck

- 1 When selling land or a rental, offer seller financing with a recorded note and a solid down payment.
- 2 Gain is taxed as payments come in (installment sale), not all in one year.
- 3 Send each monthly note payment to your mortgage principal.

Repeat: Monthly, for the note's term.

Measure: Monthly note payment received.

Risks

- The buyer can stop paying; foreclosure takes time and money.
- Federal rules limit seller financing of homes to consumers; use an attorney.

For: Grandmas and grandpas (62 and over), Higher net worth, with assets, Business owners, Married couples

Shows in the finder when checked: Selling land or another property

Sources

1. IRS Topic 705: Installment sales: <https://www.irs.gov/taxtopics/tc705>

65. Bank account sign-up bonuses, without credit pulls

Depends on people or program rules | From new cash flow, not your paycheck

- 1 Open FDIC-insured checking or savings accounts that pay a bonus for direct deposit or a balance; most do not pull credit.
- 2 Meet the terms, keep the account open as required, then move on.
- 3 Bonuses are taxable interest; send the after-tax amount to principal.

Repeat: A few times a year.

Measure: Bonuses received after tax (enter as a yearly amount).

Risks

- Fees and early-closure clawbacks.
- Too many accounts at once can flag banking reports; keep records.

For: Average household, Single, Married couples, Newlyweds, College students, Higher earners

Sources

1. IRS Topic 403: Interest received: <https://www.irs.gov/taxtopics/tc403>
2. FDIC: Your insured deposits: <https://www.fdic.gov/resources/deposit-insurance/brochures/insured-deposits>

66. Audit the servicer: make sure every extra dollar hit principal

Most predictable | From a lower cost of the same debt

- 1 Compare each statement with what you sent. Extra money should show as principal, not as unapplied funds or a future payment.
- 2 If something is wrong, send a written notice of error; the servicer must acknowledge it within 5 business days and generally fix it or explain within 30.
- 3 Check escrow math and fees the same way.

Repeat: Every statement.

Measure: Amount corrected (enter as a one-time amount).

Risks

- Use the address the servicer lists for notices of error, or the rules may not apply.

For: Average household, Higher earners, Higher net worth, with assets, Business owners, Newlyweds, Married couples, College students, Single, Grandmas and grandpas (62 and over), No high school diploma, No college degree

Sources

1. CFPB: Regulation X §1024.35, error resolution: <https://www.consumerfinance.gov/rules-policy/regulations/1024/35/>

67. Move idle savings above the emergency fund to principal

Most predictable | From an asset you already own

- 1 Build the emergency fund first.
- 2 Money above that, earning less after tax than the mortgage rate, can go to principal.
- 3 Ask for a recast after a large payment.

Repeat: Once, then whenever savings pile up.

Measure: Amount moved (enter as a one-time amount).

Risks

- Money in the house is hard to get back; a lost job does not pause the mortgage.
- Keep retirement contributions going, especially any employer match.

For: Average household, Higher earners, Higher net worth, with assets, Business owners, Newlyweds, Married couples, College students, Single, Grandmas and grandpas (62 and over), No high school diploma, No college degree
Shows in the finder when checked: Savings or investments beyond the emergency fund

Sources

1. CFPB: An essential guide to building an emergency fund: <https://www.consumerfinance.gov/an-essential-guide-to-building-an-emergency-fund/>
2. FDIC: Your insured deposits: <https://www.fdic.gov/resources/deposit-insurance/brochures/insured-deposits>

68. FHA borrowers: a streamline refinance at the same payment

Most predictable | From a lower cost of the same debt

- 1 With an existing FHA-insured loan, ask lenders about a streamline refinance; it needs less paperwork.
- 2 It must show a real benefit, such as a lower rate.
- 3 Keep paying the old amount; the difference goes to principal.

Repeat: Whenever rates fall enough to cover costs.

Measure: Months to payoff at the new rate and old payment.

Risks

- Costs and mortgage insurance premiums.
- A new 30-year term undoes the benefit unless the old payment is kept.

For: Average household, Single, No high school diploma, No college degree, College students, Grandmas and grandpas (62 and over), Married couples, Newlyweds

Shows in the finder when checked: Current loan is FHA

Sources

1. HUD: Streamline refinance your mortgage: <https://www.hud.gov/hud-partners/single-family-streamline>

69. Rent the whole house out and live somewhere free or cheaper

Depends on people or program rules | From new cash flow, not your paycheck

- 1 Move in with family, take a job that includes housing, or rent something much cheaper for a few years.
- 2 Rent the whole home at market rent with a written lease and screened tenants.
- 3 Send the full rent, after the home's own costs, to principal on top of the regular payment.
- 4 Move back within three years: owning and living in the home 2 of the 5 years before a sale keeps the home-sale exclusion.

Repeat: Monthly, for up to three years at a time.

Measure: Monthly rent after taxes, insurance, repairs and vacancy.

Risks

- Check the mortgage's occupancy clause; many require living there for the first year.
- Rental income is taxable, and depreciation taken while rented is taxed when you sell.
- Tenants, repairs and vacancy are real costs.

For: Married couples, Newlyweds, Single, College students, No high school diploma, No college degree, Average household

Shows in the finder when checked: Could move out or relocate for a few years

Sources

1. IRS Publication 523: Selling your home: <https://www.irs.gov/publications/p523>
2. IRS Publication 527: Residential rental property: <https://www.irs.gov/publications/p527>
3. IRS Topic 414: Rental income and expenses: <https://www.irs.gov/taxtopics/tc414>

70. Move into the accessory unit and rent the main house

Depends on people or program rules | From new cash flow, not your paycheck

- 1 If the property has a guest house, basement apartment or backyard unit, move into it.
- 2 Rent the larger main house, which usually brings much more rent than the small unit would.
- 3 Send the rent after the house's costs to principal.

Repeat: Monthly.

Measure: Main-house rent after costs.

Risks

- Less space for your household.
- Zoning, permits and owner-occupancy rules for accessory units.
- Rental income is taxable.

For: Married couples, Single, Grandmas and grandpas (62 and over), Newlyweds, Average household, No high school diploma, No college degree

Shows in the finder when checked: A spare room, unit or space to rent

Sources

1. IRS Publication 527: Residential rental property: <https://www.irs.gov/publications/p527>
2. Fannie Mae Selling Guide: Rental income from the subject property: <https://selling-guide.fanniemae.com/sel/b3-3.8-02/rental-income-subject-property>

71. Sell in a high-cost area and buy for cash somewhere less expensive

Depends on markets or variable rates | From an asset you already own

- 1 If work or family no longer ties you to a high-cost area, compare what your equity would buy elsewhere.
- 2 Sell; up to \$250,000 of gain (\$500,000 married) can be excluded if you owned and lived in the home 2 of the last 5 years.
- 3 Buy the next home outright, or with a small loan you can clear quickly.

Repeat: Once.

Measure: Equity after sale costs against the price of the next home.

Risks

- Selling and buying can cost 6% to 10% of the price.
- Prices, jobs and family ties in the new area.
- Property taxes and insurance can be higher in some cheaper states.

For: Married couples, Grandmas and grandpas (62 and over), Higher earners, Single, Average household, Higher net worth, with assets

Shows in the finder when checked: Could move out or relocate for a few years

Sources

1. IRS Publication 523: Selling your home: <https://www.irs.gov/publications/p523>

72. Live-in improve and sell, every two years, tax-free gain each time

Depends on markets or variable rates | From an asset you already own

- 1 Buy a home that needs cosmetic work, live in it, and improve it while you live there.
- 2 After at least two years, sell; the gain up to \$250,000 (\$500,000 married) can be excluded.
- 3 Put the gain into a smaller loan, or no loan, on the next one. Repeat.

Repeat: Every two years or more.

Measure: Gain after costs at each sale.

Risks

- Markets can fall; renovation costs run over.
- Moving every two years is hard on a family.
- The exclusion can be used once every two years.

For: Married couples, Newlyweds, Single, Business owners, No college degree, No high school diploma

Shows in the finder when checked: Could move out or relocate for a few years

Sources

1. IRS Publication 523: Selling your home: <https://www.irs.gov/publications/p523>

73. Sell a rental property and pay off the home

Depends on markets or variable rates | From an asset you already own

- 1 If you own a rental, compare its yearly return after costs with the mortgage rate.
- 2 Sell it and pay principal with the after-tax proceeds; then ask for a recast.
- 3 Or sell one of several rentals each year as part of a five-year plan.

Repeat: Once per property.

Measure: After-tax sale proceeds.

Risks

- Gains are taxed, and depreciation taken is taxed at up to 25%.
- You give up the rent and future growth.

For: Higher net worth, with assets, Business owners, Married couples, Grandmas and grandpas (62 and over), Higher earners

Shows in the finder when checked: Owns a rental property

Sources

1. IRS Publication 544: Sales and other dispositions of assets: <https://www.irs.gov/publications/p544>
2. IRS Topic 409: Capital gains and losses: <https://www.irs.gov/taxtopics/tc409>

74. Sell all or part of a business

Depends on markets or variable rates | From an asset you already own

- 1 Get a valuation, and talk with partners or key employees about buying a share.
- 2 The sale price is split among the business's assets for tax; some parts are taxed as ordinary income.
- 3 Send the after-tax proceeds to principal.

Repeat: Once, or in stages.

Measure: After-tax proceeds.

Risks

- Giving up control and future profits.
- Seller notes can go unpaid.
- Use a CPA and a business attorney.

For: Business owners, Higher net worth, with assets

Shows in the finder when checked: Owns a business or is self-employed

Sources

1. IRS Publication 544: Sales and other dispositions of assets: <https://www.irs.gov/publications/p544>

75. Sell vested employer shares you already own

Depends on markets or variable rates | From an asset you already own

Educational only. I am currently not licensed to offer or sell securities. Figures are hypothetical, not guaranteed. The risk is real: you can lose money, including principal, and a loss can change your lifestyle. Not an offer or recommendation.

- 1 List shares that are already vested and yours.
- 2 Having a big part of your wealth in the same company that pays you is a double risk; selling some reduces it.
- 3 Send the after-tax proceeds to principal.

Repeat: Each time shares vest.

Measure: After-tax proceeds.

Risks

- The stock can rise after you sell.
- Holding periods change the tax; check the plan's rules and blackout dates.

For: Higher earners, Higher net worth, with assets, Married couples, Single

Shows in the finder when checked: Owns vested employer shares

Sources

1. IRS Topic 427: Stock options: <https://www.irs.gov/taxtopics/tc427>
2. IRS Topic 409: Capital gains and losses: <https://www.irs.gov/taxtopics/tc409>

76. Surrender a policy you no longer need, for its surrender value

Most predictable | From an asset you already own

- 1 Ask for the policy's account value, surrender value and any surrender charge.
- 2 Compare surrendering with a life settlement offer and with keeping it; if coverage is no longer needed, take the best.
- 3 Send the proceeds after tax to principal.

Repeat: Once.

Measure: Surrender value after tax.

Risks

- Gain above the premiums paid is taxed as ordinary income.
- Your heirs lose what the policy would have paid them.
- Surrender charges can be large in early years.

For: Grandmas and grandpas (62 and over), Higher net worth, with assets, Married couples, Average household

Shows in the finder when checked: Owns a policy that is no longer needed

Sources

1. IRS: Policy and disability insurance proceeds: <https://www.irs.gov/faqs/interest-dividends-other-types-of-income/life-insurance-disability-insurance-proceeds/life-insurance-disability-insurance-proceeds>

77. Sell some future structured settlement payments, only with court approval

Depends on people or program rules | From an asset you already own

- 1 If you receive structured settlement payments, a buyer can pay a lump sum for some of them.
- 2 State law requires a judge to approve the sale as in your best interest; without approval, federal law taxes the buyer heavily.
- 3 Sell only part, compare several offers, and send the lump sum to principal.

Repeat: Once.

Measure: Lump sum against the total of payments given up.

Risks

- Buyers' discount rates are often very high; you can get far less than the payments are worth.
- Payments meant for medical care or living costs should stay.

For: Average household, Single, No high school diploma, No college degree, College students, Grandmas and grandpas (62 and over), Married couples

Shows in the finder when checked: Receives structured settlement payments

Sources

1. 26 U.S.C. §5891: Structured settlement factoring transactions: <https://www.law.cornell.edu/uscode/text/26/5891>

78. Sell digital assets held outside retirement accounts

Depends on markets or variable rates | From an asset you already own

- 1 List crypto or other digital assets you hold.
- 2 Selling or trading them is a taxable event; report it on your return.
- 3 Send the after-tax proceeds to principal.

Repeat: Once, or in stages.

Measure: After-tax proceeds.

Risks

- Prices swing widely.
- Records of cost are needed for the tax.

For: Single, Higher earners, College students, Married couples, Average household

Shows in the finder when checked: Savings or investments beyond the emergency fund

Sources

1. IRS: Reminders for taxpayers about digital assets: <https://www.irs.gov/newsroom/reminders-for-taxpayers-about-digital-assets>
2. IRS Topic 409: Capital gains and losses: <https://www.irs.gov/taxtopics/tc409>

79. Owe an individual? Offer a discounted lump-sum payoff

Depends on people or program rules | From a lower cost of the same debt

- 1 If your loan is held by a person (a seller who financed your purchase) or a small private investor, ask whether they would take less than the balance for cash now.
- 2 Many private holders prefer cash today; get any discount in writing with a release of the lien.
- 3 Fund it from assets or a family loan, not new high-cost debt.

Repeat: Once.

Measure: Discount received.

Risks

- A forgiven amount can be taxable as canceled debt; when the seller who financed your purchase reduces it, it may instead count as a lower purchase price. Ask a CPA.
- Banks and large servicers rarely agree.

For: Average household, Married couples, Single, Business owners, Grandmas and grandpas (62 and over)

Shows in the finder when checked: Mortgage is owed to a person or small private holder

Sources

1. IRS Topic 431: Canceled debt, is it taxable or not?: <https://www.irs.gov/taxtopics/tc431>

80. A parent's or grandparent's large gift, using their lifetime exemption

Depends on people or program rules | From an asset you already own

- 1 Above the yearly gift limit, a person can give much more using their lifetime exemption (\$15 million each in 2026) and usually owe no tax.
- 2 The giver files Form 709 to report it.
- 3 The gift goes straight to principal.

Repeat: Once, or a few times.

Measure: Gift amount.

Risks

- A gift can make the giver ineligible for Medicaid for up to five years.
- The giver must keep enough for their own life.
- Treat siblings fairly, in writing.

For: Newlyweds, Married couples, Single, College students, No high school diploma, No college degree, Average household

Shows in the finder when checked: Family willing and able to help

Sources

1. IRS: Instructions for Form 709: <https://www.irs.gov/instructions/i709>
2. IRS: Frequently asked questions on gift taxes: <https://www.irs.gov/businesses/small-businesses-self-employed/frequently-asked-questions-on-gift-taxes>

81. 73 and over: send required distributions you don't need to principal

Most predictable | From an asset you already own

- 1 Required minimum distributions must come out each year from 73 whether you need them or not.
- 2 If they are not needed for living costs, send the after-tax amount to principal.
- 3 Give part directly to charity first if you give anyway; that part is not taxed.

Repeat: Every year.

Measure: After-tax distribution (enter as a yearly amount).

Risks

- Keep enough cash for emergencies and medical costs.

For: Grandmas and grandpas (62 and over), Higher net worth, with assets

Shows in the finder when checked: 73 or older, with retirement accounts

Sources

1. IRS: Required minimum distribution FAQs:

<https://www.irs.gov/retirement-plans/retirement-plan-and-ira-required-minimum-distributions-faqs>

82. Use an annuity's yearly free-withdrawal amount

Most predictable | From an asset you already own

- 1 Many deferred annuities let you take a share of the account value each year, often 10%, without a surrender charge.
- 2 Gains come out first and are taxed; before 59½ a 10% additional tax applies.
- 3 Send the after-tax amount to principal. Never pledge the annuity as collateral.

Repeat: Every year.

Measure: After-tax withdrawal (enter as a yearly amount).

Risks

- Taking money out can reduce income riders and what is left to heirs.
- Check the contract's surrender schedule first.

For: Grandmas and grandpas (62 and over), Higher net worth, with assets, Married couples

Shows in the finder when checked: Owns a deferred annuity

Sources

1. 26 U.S.C. §72: Annuities (10% additional tax on early distributions): <https://www.law.cornell.edu/uscode/text/26/72>

2. IRS Publication 575: Pension and annuity income: <https://www.irs.gov/publications/p575>

83. Find lost pensions and old retirement accounts

Depends on people or program rules | From an asset you already own

- 1 Search the PBGC's unclaimed pension database and the Department of Labor's Retirement Savings Lost and Found.
- 2 If a plan offers a lump sum and you are past 59½, a part can go to principal; otherwise roll it over and keep it growing.
- 3 Ask former employers about plans you may have forgotten.

Repeat: Once, then after each job change.

Measure: Amount found.

Risks

- Cashing out before 59½ is taxed and usually penalized.
- Never pay a finder.

For: Average household, Higher earners, Higher net worth, with assets, Business owners, Newlyweds, Married couples, College students, Single, Grandmas and grandpas (62 and over), No high school diploma, No college degree

Sources

1. PBGC: Find unclaimed retirement benefits:

<https://www.pbgc.gov/workers-retirees/find-unclaimed-retirement-benefits/search-unclaimed>

2. U.S. Department of Labor: Retirement Savings Lost and Found: <https://lostandfound.dol.gov/>

84. Claim refunds and settlements you are owed

Depends on people or program rules | From an asset you already own

- 1 Check the FTC's list of refund programs for companies you have done business with.
- 2 File claims in class-action settlements that name you or a product you bought.
- 3 Send each check to principal.

Repeat: A few times a year.

Measure: Refunds received.

Risks

- Scammers pose as refund agents; real programs never charge a fee.

For: Average household, Higher earners, Higher net worth, with assets, Business owners, Newlyweds, Married couples, College students, Single, Grandmas and grandpas (62 and over), No high school diploma, No college degree

Sources

1. FTC: Refund programs: <https://www.ftc.gov/enforcement/refunds>

85. Lease acreage for a solar or wind project

Depends on markets or variable rates | From new cash flow, not your paycheck

- 1 If you own open, flat land near power lines, developers may offer a 20 to 30 year lease.
- 2 Have an agricultural or real estate attorney review payment, escalation, removal bonds and taxes.
- 3 Get lender consent, and send each yearly payment to principal.

Repeat: Yearly, for decades.

Measure: Yearly lease payment.

Risks

- Long commitment; it limits other uses and a future sale.
- Property tax treatment can change.
- Many offers never become projects.

For: Grandmas and grandpas (62 and over), Married couples, Higher net worth, with assets, Business owners

Shows in the finder when checked: Owns acreage or a large lot

Sources

1. Ohio State University: Farmland owner's guide to solar leasing:

<https://farmoffice.osu.edu/sites/aglaw/files/site-library/SolarLeasingGuideRevisedJune2020.pdf>

2. NYSEDA: Landowner considerations for solar:

<https://www.nyserda.ny.gov/-/media/Project/Nyserda/Files/Programs/NY-Sun/Landowner-Considerations.pdf>

86. Get paid to grow and keep forest carbon

Depends on markets or variable rates | From new cash flow, not your paycheck

- 1 Forest owners with enough acres can enroll in a carbon program that pays each year for practices that store more carbon.
- 2 Read the contract term and the harvest limits.
- 3 Send the payments to principal.

Repeat: Yearly, for the contract term.

Measure: Yearly payment.

Risks

- Limits timber harvests for years.
- Payments depend on programs and buyers.

For: Grandmas and grandpas (62 and over), Married couples, Higher net worth, with assets

Shows in the finder when checked: Owns acreage or a large lot

Sources

1. Family Forest Carbon Program: How it works: <https://familyforestcarbon.org/about-the-program/how-it-works/>

87. Negotiate fair pay when a pipeline or power line crosses your land

Depends on people or program rules | From an asset you already own

- 1 If a project needs an easement on your land, you can negotiate the price, route and terms.
- 2 Learn your rights in the federal process and get an appraisal.
- 3 Send the payment to principal.

Repeat: Once per project.

Measure: Easement payment.

Risks

- The easement is usually permanent.
- Construction damage; put restoration terms in writing.

For: Grandmas and grandpas (62 and over), Married couples, Average household, Higher net worth, with assets

Shows in the finder when checked: Owns acreage or a large lot

Sources

1. FERC: An interstate natural gas facility on my land? What do I need to know:
<https://www.ferc.gov/sites/default/files/2020-04/AnInterstateNaturalGasFacility.WhatYouNeedToKnow.pdf>

88. Host campers or a glamping pad on your land

Depends on people or program rules | From new cash flow, not your paycheck

- 1 Check zoning for camping and short stays.
- 2 Start with simple tent sites; add a pad, water or a platform tent later.
- 3 Send the net to principal.

Repeat: Seasonal bookings.

Measure: Net monthly income.

Risks

- Liability; get the right insurance.
- Rules on sanitation and fire.
- The income is taxable.

For: Grandmas and grandpas (62 and over), Married couples, Single, Average household

Shows in the finder when checked: Owns acreage or a large lot

Sources

1. IRS Topic 414: Rental income and expenses: <https://www.irs.gov/taxtopics/tc414>
2. IRS: Gig economy tax center: <https://www.irs.gov/businesses/gig-economy-tax-center>

89. Board horses on pasture or in a barn you already have

Depends on people or program rules | From new cash flow, not your paycheck

- 1 Offer pasture or stall board with a written agreement on care, fees and liability.
- 2 Many states limit liability for equine activities if signs and contracts meet their rules.
- 3 Send the net to principal.

Repeat: Monthly.

Measure: Net monthly board.

Risks

- Animal injuries and fencing costs.
- Daily work.

For: Grandmas and grandpas (62 and over), Married couples, Business owners

Shows in the finder when checked: Owns acreage or a large lot

Sources

1. University of Maryland Extension: Considerations for equine lease agreements: [https://extension.umd.edu/sites/extension.umd.edu/files/publications/FS-1062%20Considerations%20for%20Equine%20Lease%20Agreements%20\(2\).pdf](https://extension.umd.edu/sites/extension.umd.edu/files/publications/FS-1062%20Considerations%20for%20Equine%20Lease%20Agreements%20(2).pdf)
2. IRS Publication 225: Farmer's tax guide: <https://www.irs.gov/publications/p225>

90. Run a licensed adult family home

Depends on people or program rules | From new cash flow, not your paycheck

- 1 Some states license homes to care for a few adults who need help with daily living.
- 2 Training, inspections and background checks are required.
- 3 Send the net income to principal.

Repeat: Monthly.

Measure: Net monthly income after staff and costs.

Risks

- Round-the-clock responsibility.
- Licensing, staffing and liability.
- Income ends if you stop.

For: Married couples, Grandmas and grandpas (62 and over), Single, No high school diploma, No college degree

Shows in the finder when checked: A spare room, unit or space to rent

Sources

1. Washington DSHS: Information for adult family home prospective providers (one state's rules): <https://www.dshs.wa.gov/information-afh-prospective-providers>

91. Ministers: a designated housing allowance

Most predictable | From new cash flow, not your paycheck

- 1 Ask your church to designate part of pay as a housing allowance before it is paid.
- 2 That part is not subject to income tax, up to the home's fair rental value and actual costs.
- 3 Send the tax saved to principal.

Repeat: Every year.

Measure: Income tax saved.

Risks

- It is still subject to self-employment tax.
- Only for ministers of the gospel as the IRS defines them.

For: Married couples, Single, Average household, Grandmas and grandpas (62 and over)

Shows in the finder when checked: Is a minister

Sources

1. IRS Publication 517: Social Security and other information for members of the clergy: <https://www.irs.gov/publications/p517>

92. Owners of an S or C corporation: get reimbursed tax-free for home office and mileage

Most predictable | From new cash flow, not your paycheck

- 1 Set up a written accountable plan in your company.
- 2 Submit records for the business share of home costs and business mileage; the company reimburses you tax-free.
- 3 Send the tax saved to principal.

Repeat: Monthly or quarterly.

Measure: Tax saved.

Risks

- Records are required; excess must be returned.
- The company loses nothing it would not deduct anyway, but get a CPA to set it up.

For: Business owners

Shows in the finder when checked: Owns an S or C corporation and works in it

Sources

1. IRS Publication 463: Travel, gift and car expenses (accountable plans): <https://www.irs.gov/pub/irs-pdf/p463.pdf>

93. Let your employer pay student loans tax-free, then roll that payment

Most predictable | From new cash flow, not your paycheck

- 1 Ask whether your employer offers educational assistance that pays student loans; up to \$5,250 a year is tax-free.
- 2 Your own student loan payment drops or ends.
- 3 Send what you no longer pay to principal.

Repeat: Every year.

Measure: Monthly student loan payment freed.

Risks

- Not every employer offers it.
- Plan rules and limits apply.

For: Single, Newlyweds, Married couples, College students, Average household, Higher earners
Shows in the finder when checked: Has student loans

Sources

1. IRS: Frequently asked questions about educational assistance programs:
<https://www.irs.gov/newsroom/frequently-asked-questions-about-educational-assistance-programs>

94. Public service loan forgiveness, then roll the payment

Depends on people or program rules | From new cash flow, not your paycheck

- 1 If you work for government or a qualifying nonprofit, Direct Loans can be forgiven after 120 qualifying payments.
- 2 Certify employment every year.
- 3 When forgiven, send the old student loan payment to principal.

Repeat: Once, at forgiveness.

Measure: Monthly payment freed.

Risks

- Rules are strict; track each qualifying payment.
- Program rules can change.

For: Single, Married couples, Newlyweds, Average household
Shows in the finder when checked: Has student loans; Works for government or a qualifying nonprofit

Sources

1. Federal Student Aid: Public Service Loan Forgiveness:
<https://studentaid.gov/manage-loans/forgiveness-cancellation/public-service>

95. Teacher forgiveness or disability discharge for student loans

Depends on people or program rules | From new cash flow, not your paycheck

- 1 Teachers in qualifying low-income schools for five years may get up to \$17,500 forgiven.
- 2 A total and permanent disability can discharge federal student loans.
- 3 Send the freed payment to principal.

Repeat: Once.

Measure: Monthly payment freed.

Risks

- Eligibility rules and paperwork.
- Discharged amounts can affect taxes in some states.

For: Single, Married couples, Newlyweds, Average household, No college degree

Shows in the finder when checked: Has student loans

Sources

1. Federal Student Aid: Teacher Loan Forgiveness: <https://studentaid.gov/manage-loans/forgiveness-cancellation/teacher>
2. Federal Student Aid: Total and permanent disability discharge: <https://studentaid.gov/manage-loans/forgiveness-cancellation/disability-discharge>

96. Apply for hospital financial assistance on medical bills

Depends on people or program rules | From a lower cost of the same debt

- 1 Nonprofit hospitals must have a written financial assistance policy; ask for it and apply, even after the bill arrives.
- 2 Bills can be reduced or erased based on income.
- 3 End or shrink the payment plan, and send the difference to principal.

Repeat: Each bill.

Measure: Monthly payment freed.

Risks

- Rules and income limits differ by hospital.
- For-profit hospitals are not required to offer it.

For: Average household, Single, No high school diploma, No college degree, College students, Grandmas and grandpas (62 and over), Married couples, Newlyweds

Shows in the finder when checked: Paying hospital bills

Sources

1. IRS: Financial assistance policies at tax-exempt hospitals: <https://www.irs.gov/charities-non-profits/financial-assistance-policies-faps>

97. A nonprofit credit counselor's plan to cut card rates

Depends on people or program rules | From a lower cost of the same debt

- 1 A certified nonprofit credit counselor can set up a debt management plan that often lowers card interest rates.
- 2 Pay the same amount you pay now; more of it goes to balances.
- 3 When the cards are paid, roll that payment to principal.

Repeat: Monthly, until the cards are paid.

Measure: Payment freed at the end.

Risks

- Cards in the plan are usually closed.
- Avoid debt settlement companies that charge up front.

For: Average household, Single, No high school diploma, No college degree, College students, Grandmas and grandpas (62 and over), Married couples, Newlyweds

Shows in the finder when checked: Has car, card or other loan payments

Sources

1. FTC: Choosing a credit counselor:

<https://consumer.ftc.gov/sites/default/files/articles/pdf/pdf-0040-choosing-a-credit-counselor.pdf>

2. FTC: How to get out of debt: <https://consumer.ftc.gov/articles/how-get-out-debt>

98. Lower health premiums with a marketplace premium tax credit

Most predictable | From a lower cost of the same debt

- 1 If you buy your own health coverage, check the marketplace for a premium tax credit based on income.
- 2 The credit goes straight to the insurer, so the monthly premium drops.
- 3 Send the difference to principal.

Repeat: Each open enrollment.

Measure: Monthly premium saved.

Risks

- Report income changes, or you may repay credit at tax time.
- Credit amounts change with the law.

For: Business owners, Single, Married couples, Newlyweds, Average household, No high school diploma, No college degree, Grandmas and grandpas (62 and over)

Shows in the finder when checked: Buys own health coverage

Sources

1. HealthCare.gov: Save on your monthly premium with the premium tax credit:

<https://www.healthcare.gov/lower-costs/save-on-monthly-premiums/>

99. Children's coverage through CHIP or Medicaid

Most predictable | From a lower cost of the same debt

- 1 In most states, children in families with moderate incomes can get low-cost coverage.
- 2 Move the children's coverage off a costly family plan if it makes sense.
- 3 Send the premium saved to principal.

Repeat: Renew as the state requires.

Measure: Monthly premium saved.

Risks

- Income limits differ by state.
- Compare doctors and networks.

For: Married couples, Newlyweds, Single, Average household, No high school diploma, No college degree

Shows in the finder when checked: Has children under 19 (or under 5 for Head Start)

Sources

1. InsureKidsNow.gov: Find coverage for your family: <https://www.insurekidsnow.gov/coverage>

100. Free early childhood programs instead of paid daycare

Depends on people or program rules | From a lower cost of the same debt

- 1 Head Start and Early Head Start are free for eligible families with children up to age 5; many states also offer free pre-K.
- 2 Apply early; spaces fill.
- 3 Send the daycare cost no longer paid to principal.

Repeat: Each school year.

Measure: Monthly childcare cost saved.

Risks

- Income rules and waiting lists.
- Hours may not match work schedules.

For: Married couples, Newlyweds, Single, No high school diploma, No college degree, Average household

Shows in the finder when checked: Has children under 19 (or under 5 for Head Start); Limited income

Sources

1. HHS: How can I get my child into Head Start?: <https://www.hhs.gov/answers/programs-for-families-and-children/how-can-i-get-my-child-into-head-start/index.html>

101. Get out of required flood insurance with a FEMA map amendment

Most predictable | From a lower cost of the same debt

- 1 If the lender requires flood insurance but the house sits higher than the mapped flood level, get an elevation certificate.
- 2 Request a Letter of Map Amendment from FEMA; if approved, the federal requirement no longer applies.
- 3 Send the premium saved to principal, or keep a cheaper policy.

Repeat: Once.

Measure: Monthly premium saved.

Risks

- Flooding can still happen; many people keep a lower-cost policy.
- The surveyor's certificate costs money.

For: Average household, Higher earners, Higher net worth, with assets, Business owners, Newlyweds, Married couples, College students, Single, Grandmas and grandpas (62 and over), No high school diploma, No college degree
Shows in the finder when checked: Lender requires flood insurance

Sources

1. FEMA: How to request a Letter of Map Amendment:

https://www.fema.gov/sites/default/files/documents/fema_request-loma-lomrf.pdf

102. Wind-mitigation and FORTIFIED roof discounts

Depends on people or program rules | From a lower cost of the same debt

- 1 When the roof needs replacing anyway, build it to the FORTIFIED standard or document wind-mitigation features.
- 2 Ask the insurer for the discount; some states require one.
- 3 Send the premium saved to principal.

Repeat: Once, at roof replacement.

Measure: Monthly premium saved.

Risks

- Upgrades cost more up front.
- Discounts differ by state and insurer.

For: Average household, Higher earners, Higher net worth, with assets, Business owners, Newlyweds, Married couples, College students, Single, Grandmas and grandpas (62 and over), No high school diploma, No college degree

Sources

1. IBHS FORTIFIED: Financial incentives: <https://fortifiedhome.org/incentives/>

103. Cancel add-on products you don't need

Most predictable | From a lower cost of the same debt

- 1 Look at loans and accounts for optional credit insurance, debt protection, extended warranties or other add-ons.
- 2 Cancel the ones you do not need; ask about refunds of unused premiums.
- 3 Send the savings to principal.

Repeat: Once, then for every new loan.

Measure: Monthly cost removed.

Risks

- Keep coverage you actually rely on.

For: Average household, Higher earners, Higher net worth, with assets, Business owners, Newlyweds, Married couples, College students, Single, Grandmas and grandpas (62 and over), No high school diploma, No college degree

Sources

1. CFPB: Auto loan key terms (credit insurance and add-on products):

<https://www.consumerfinance.gov/consumer-tools/auto-loans/answers/key-terms/>

104. Disabled veterans: a full or partial property tax exemption

Most predictable | From a lower cost of the same debt

- 1 Many states exempt some or all property tax for disabled veterans; in Texas, a 100% disabled rating exempts the whole homestead.
- 2 File with your county appraisal or tax office.
- 3 Send the escrow reduction to principal.

Repeat: Once, then renew as required.

Measure: Monthly escrow reduction.

Risks

- Rules differ by state; some only cover part of the value.

For: Average household, Married couples, Single, Grandmas and grandpas (62 and over), No high school diploma, No college degree

Shows in the finder when checked: Veteran with a disability rating

Sources

1. Texas Comptroller: 100 percent disabled veteran exemption FAQ (one state's rule):

<https://comptroller.texas.gov/taxes/property-tax/exemptions/disabledvet-100-faq.php>

105. On a five-year plan, put cash on principal instead of buying points

Most predictable | From a lower cost of the same debt

- 1 When refinancing, points buy a lower rate; the break-even is often longer than five years.
- 2 On a short payoff plan, the same cash usually saves more as principal.
- 3 Run both in the calculator before choosing.

Repeat: At each refinance.

Measure: Interest saved both ways.

Risks

- If plans change and you keep the loan longer, points can win.

For: Average household, Higher earners, Higher net worth, with assets, Business owners, Newlyweds, Married couples, College students, Single, Grandmas and grandpas (62 and over), No high school diploma, No college degree

Sources

1. CFPB: How should I use lender credits and points?:

<https://www.consumerfinance.gov/ask-cfpb/how-should-i-use-lender-credits-and-points-also-called-discount-points-en-136/>

106. Lease or sell mineral rights you own

Depends on markets or variable rates | From an asset you already own

- 1 If you own mineral rights, an operator may pay a signing bonus and royalties on a lease, or buy the rights.
- 2 Have an oil and gas attorney review terms.
- 3 Send the bonus, royalties or sale proceeds to principal.

Repeat: Bonus once; royalties monthly.

Measure: Bonus and royalties after tax.

Risks

- Drilling may never happen.
- Selling ends future royalties.
- Surface damage terms matter.

For: Grandmas and grandpas (62 and over), Married couples, Higher net worth, with assets, Average household

Shows in the finder when checked: Owns mineral rights

Sources

1. IRS: Instructions for Schedule E (royalties): <https://www.irs.gov/instructions/i1040se>

107. Rent to a family displaced by a disaster whose insurer pays

Depends on people or program rules | From new cash flow, not your paycheck

- 1 After a covered disaster, homeowners policies often pay displaced families' additional living expenses for months.
- 2 List a furnished home or unit with insurance-housing placement services and local agents.
- 3 Send the net rent to principal.

Repeat: Each placement.

Measure: Net monthly rent.

Risks

- Placements are temporary.
- Wear and tenancy rules still apply.

For: Married couples, Grandmas and grandpas (62 and over), Single, Average household
Shows in the finder when checked: A spare room, unit or space to rent

Sources

1. NAIC: What are additional living expenses and how can insurance help?:
<https://content.naic.org/article/what-are-additional-living-expenses-and-how-can-insurance-help>
2. IRS Topic 415: Renting residential and vacation property: <https://www.irs.gov/taxtopics/tc415>

Sequences

Strategies stacked in an order that repeats. The total paid from income stays the same; each step adds to principal.

Starter cycle: withholding, rollover, room rent

- 1 5. Stop over-withholding and send it to principal
- 2 6. Debt rollover: redirect every payment that ends
- 3 3. House hack: rent a room, a unit or an ADU

No new debt. Each step adds a monthly amount to principal; together they stack.

For: Average household, Single, College students, No high school diploma, No college degree

Live-in landlord ladder

- 1 3. House hack: rent a room, a unit or an ADU
- 2 13. Buyers: assume a seller's lower-rate FHA or VA loan
- 3 6. Debt rollover: redirect every payment that ends

Buy owner-occupied, rent the other units, move after the occupancy period, repeat. Each property's rent pays its own principal.

For: College students, Single, Newlyweds, No high school diploma, No college degree

Two-income couple cycle

- 1 5. Stop over-withholding and send it to principal
- 2 6. Debt rollover: redirect every payment that ends
- 3 1. Refinance lower, keep paying the old payment
- 4 2. Lump sum from idle assets, then recast

Reset both W-4s, roll each ended debt into principal, refinance when rates drop, recast after windfalls.

For: Newlyweds, Married couples

Owner's cycle

- 1 4. Business owners: rent your home to your business for up to 14 days
- 2 5. Stop over-withholding and send it to principal
- 3 2. Lump sum from idle assets, then recast

Fourteen documented rental days a year, a corrected withholding or estimated-tax plan, and an annual recast.

For: Business owners

Asset-rich cycle

- 1 2. Lump sum from idle assets, then recast
- 2 7. Mutual Pay and Borrow Company policy loan from account value
- 3 10. Securities-backed line of credit (higher net worth)
- 4 8. Sell a share of the home's future value (home equity investment)

Move an asset into principal and recast. Only borrow against an asset when its cost and risk are clearly lower than the mortgage's.

For: Higher net worth, with assets, Higher earners

Most predictable stack (no markets, no tenants)

- 1 5. Stop over-withholding and send it to principal
- 2 6. Debt rollover: redirect every payment that ends
- 3 1. Refinance lower, keep paying the old payment
- 4 2. Lump sum from idle assets, then recast
- 5 17. Family gifts straight to principal

Every step is fixed arithmetic once it is in place. This is the closest thing to a sure payoff date: still not guaranteed, because income, rates offered and family gifts can change.

For: Average household, Married couples, Newlyweds, Single, No high school diploma, No college degree, Higher earners

Cost-cutter stack (no new debt)

- 1 21. Drop mortgage insurance and send that amount to principal
- 2 22. Lower the escrow: appeal the property tax, claim exemptions, use the surplus refund
- 3 23. Re-shop homeowners insurance and send the savings to principal
- 4 5. Stop over-withholding and send it to principal
- 5 6. Debt rollover: redirect every payment that ends

Every dollar comes from a bill that got smaller. The total you pay each month stays the same, and the difference lands on principal.

For: Average household, Married couples, Single, Newlyweds, No high school diploma, No college degree, Grandmas and grandpas (62 and over)

Home side-gig stack

- 1 29. Rent the home by the day for photo shoots, filming and small events
- 2 30. Rent out the driveway, garage, shed or attic for parking and storage
- 3 3. House hack: rent a room, a unit or an ADU

Booking days, parking or storage space, and a room or unit each add a little. Every net dollar goes to principal; the total from income stays the same.

For: Married couples, Single, Business owners, Average household, Newlyweds

Found-money sweep

- 1 32. Find money already owed to you: unclaimed property and old savings bonds
- 2 24. Reimburse yourself from your HSA for old medical receipts
- 3 22. Lower the escrow: appeal the property tax, claim exemptions, use the surplus refund
- 4 5. Stop over-withholding and send it to principal

Money that is already yours: unclaimed property, old medical receipts, escrow surplus and over-withheld tax.

For: Average household, Single, Married couples, No high school diploma, No college degree, College students, Grandmas and grandpas (62 and over), Newlyweds

Landowner stack

- 1 31. Put the land to work: hunting lease, timber sale, billboard or cell-site lease
- 2 36. Landowners: a genuine conservation easement on land you keep
- 3 2. Lump sum from idle assets, then recast

Lease income and the tax saved by a genuine easement go to principal each year; a large timber sale can be a lump sum followed by a recast.

For: Grandmas and grandpas (62 and over), Higher net worth, with assets, Business owners, Married couples

Stay-put stack for 62 and over

- 1 35. Home sharing through a nonprofit matching program
- 2 34. 62 and over: postpone the property tax and pay down the mortgage instead
- 3 33. Cut the utility bills with free weatherization and rebates
- 4 11. Right-size: sell, keep the tax-free gain, buy smaller

Lower the bills and add rent while staying in the home; right-sizing is the last step, not the first.

For: Grandmas and grandpas (62 and over)

Veteran stack

- 1 28. Veterans: a VA streamline refinance (IRRRL) at the same payment
- 2 22. Lower the escrow: appeal the property tax, claim exemptions, use the surplus refund
- 3 23. Re-shop homeowners insurance and send the savings to principal
- 4 5. Stop over-withholding and send it to principal

A lower rate at the same payment, then a lower escrow: many states give veterans a property tax exemption to file.

For: Average household, Married couples, Single, Grandmas and grandpas (62 and over), No high school diploma, No college degree, Newlyweds

First-time buyer stack

- 1 26. First-time buyers: a Mortgage Credit Certificate
- 2 19. Buyers: have the seller pay down the rate
- 3 17. Family gifts straight to principal
- 4 21. Drop mortgage insurance and send that amount to principal

Set it up at purchase: the credit certificate and a bought-down rate must happen at closing; then yearly gifts and dropping mortgage insurance at 80%.

For: Newlyweds, Single, College students, No high school diploma, No college degree, Average household

Bills-first stack (lowest income)

- 1 33. Cut the utility bills with free weatherization and rebates
- 2 32. Find money already owed to you: unclaimed property and old savings bonds
- 3 6. Debt rollover: redirect every payment that ends
- 4 5. Stop over-withholding and send it to principal

No new loans and nothing to buy. Free weatherization, money already owed to you, and payments that end.

For: No high school diploma, No college degree, Single, Average household, College students

Business owner's home stack

- 1 4. Business owners: rent your home to your business for up to 14 days
- 2 29. Rent the home by the day for photo shoots, filming and small events
- 3 5. Stop over-withholding and send it to principal
- 4 18. First-lien HELOC with a sweep account (an all-in-one loan)

Meetings in the home under the 14-day rule, day bookings, the right tax payments, and a sweep line for uneven income. Keep records for every day rented.

For: Business owners, Higher earners

Military family stack

- 1 39. Active duty: the 6% SCRA cap on a pre-service mortgage, at the old payment
- 2 40. Kill the costlier debts first, then roll everything into the mortgage
- 3 28. Veterans: a VA streamline refinance (IRRRL) at the same payment
- 4 22. Lower the escrow: appeal the property tax, claim exemptions, use the surplus refund

While on active duty, the 6% cap at the old payment; clear costlier debts; after service, a streamline refinance before the cap ends.

For: Average household, Married couples, Single, Newlyweds, No high school diploma, No college degree, College students

Estate and giving stack

- 1 41. Inherited assets: sell after the basis steps up, pay principal
- 2 42. 70½ and over: give from the IRA directly and send the tax saved to principal
- 3 43. 65 and over: sell a policy you no longer need instead of surrendering it
- 4 2. Lump sum from idle assets, then recast

Turn assets that no longer fit into principal with as little tax as the rules allow, then recast to lower the payment.

For: Grandmas and grandpas (62 and over), Higher net worth, with assets, Married couples

Income from the home stack

- 1 44. Run a licensed family child care home
- 2 38. Paid family caregiving at home through a Medicaid program
- 3 37. Rent the whole home for a big local event week

Work the home already supports: child care, paid care for a relative who lives with you, and one big event week a year.

For: Married couples, Newlyweds, Single, No high school diploma, No college degree, Average household, Grandmas and grandpas (62 and over)

Tax refund harvest

- 1 46. Claim every tax credit you qualify for and send the refund to principal
- 2 47. Amend the last three years of returns for missed deductions and credits
- 3 45. Run childcare and commuting through pre-tax workplace benefits
- 4 5. Stop over-withholding and send it to principal

Claim what you are owed this year and the last three, then stop overpaying going forward. Every refund goes to principal.

For: Average household, Married couples, Single, Newlyweds, No high school diploma, No college degree, Higher earners

Bill-cutting stack for 65 and over

- 1 53. 65 and over with limited income: let a Medicare Savings Program pay the premiums
 - 2 54. Energy bill help through LIHEAP
 - 3 55. Phone or internet discount through Lifeline
 - 4 60. Claim your state's property tax credit or circuit breaker
 - 5 34. 62 and over: postpone the property tax and pay down the mortgage instead
- Programs built for limited incomes, applied for together. The bills that shrink become principal payments.
For: Grandmas and grandpas (62 and over)

Sharing-economy stack

- 1 48. Rent out a car, trailer, tools or gear you rarely use
 - 2 49. Pet sitting and boarding from home
 - 3 50. Sell baked goods or preserves from your kitchen under your state's cottage food law
 - 4 30. Rent out the driveway, garage, shed or attic for parking and storage
- Small, steady side income from things and skills you already have. Track the net, pay the tax, send the rest to principal.
For: Average household, Single, Married couples, Newlyweds, College students, No high school diploma, No college degree

Sell what you don't use

- 1 58. Sell what sits unused: gold jewelry, collectibles, a boat or a second vehicle
 - 2 59. Sell a timeshare or vacation property that costs more than it gives
 - 3 51. Split off and sell extra land, with the lender's partial release
 - 4 2. Lump sum from idle assets, then recast
- Turn idle things into principal, end their carrying costs, then recast to lower the payment.
For: Grandmas and grandpas (62 and over), Married couples, Higher net worth, with assets, Average household, Higher earners

Self-employed tax stack

- 1 62. Self-employed: take the home office deduction and send the tax saved to principal
 - 2 63. Business owners: pay your children for real work
 - 3 4. Business owners: rent your home to your business for up to 14 days
 - 4 5. Stop over-withholding and send it to principal
- Legal deductions for the business use of the home and family work. Keep records for every one.
For: Business owners, Higher earners

Servicer check-up

- 1 66. Audit the servicer: make sure every extra dollar hit principal
 - 2 21. Drop mortgage insurance and send that amount to principal
 - 3 22. Lower the escrow: appeal the property tax, claim exemptions, use the surplus refund
 - 4 67. Move idle savings above the emergency fund to principal
- Make sure the servicer credits every extra dollar, drop mortgage insurance on time, fix the escrow, then put idle savings to work.
For: Average household, Married couples, Single, Newlyweds, Grandmas and grandpas (62 and over), No high school diploma, No college degree, Higher earners

Family bank cycle

- 1 17. Family gifts straight to principal
- 2 15. Family bank: a parent's loan at the IRS minimum rate
- 3 2. Lump sum from idle assets, then recast

Annual gifts to principal, a recorded family note at the IRS rate for a lump sum, then a recast. The equity relay is left out of this cycle on purpose because it moves the debt rather than lowering it.

For: Newlyweds, Married couples, College students, Single, No high school diploma, No college degree, Grandmas and grandpas (62 and over)

Five-year sprint: move out and rent it

- 1 69. Rent the whole house out and live somewhere free or cheaper
- 2 67. Move idle savings above the emergency fund to principal
- 3 6. Debt rollover: redirect every payment that ends
- 4 2. Lump sum from idle assets, then recast

The whole rent goes to principal for up to three years, idle savings go in, and each recast lowers the required payment. Move back in time to keep the home-sale exclusion.

For: Married couples, Newlyweds, Single, College students, No high school diploma, No college degree, Average household

Five-year sprint: sell what is not the home

- 1 73. Sell a rental property and pay off the home
- 2 75. Sell vested employer shares you already own
- 3 58. Sell what sits unused: gold jewelry, collectibles, a boat or a second vehicle
- 4 59. Sell a timeshare or vacation property that costs more than it gives
- 5 2. Lump sum from idle assets, then recast

Large one-time sales carry most of a five-year payoff. Pay the tax first, send the rest to principal, then recast.

For: Higher net worth, with assets, Business owners, Married couples, Grandmas and grandpas (62 and over), Higher earners

Five-year sprint: landowner

- 1 85. Lease acreage for a solar or wind project
- 2 106. Lease or sell mineral rights you own
- 3 87. Negotiate fair pay when a pipeline or power line crosses your land
- 4 51. Split off and sell extra land, with the lender's partial release
- 5 2. Lump sum from idle assets, then recast

Land can pay three ways: a lease each year, a one-time bonus or easement payment, and the sale of a lot you do not need.

For: Grandmas and grandpas (62 and over), Married couples, Higher net worth, with assets

Five-year sprint: family help

- 1 80. A parent's or grandparent's large gift, using their lifetime exemption
- 2 17. Family gifts straight to principal
- 3 61. Merge households: a parent sells, moves in and shares the costs
- 4 2. Lump sum from idle assets, then recast

A large gift under the giver's lifetime exemption, then yearly gifts and shared costs. Fair treatment of siblings in writing.

For: Newlyweds, Married couples, Single, College students, No high school diploma, No college degree, Average household

Five-year sprint: business owner

- 1 74. Sell all or part of a business
- 2 92. Owners of an S or C corporation: get reimbursed tax-free for home office and mileage
- 3 62. Self-employed: take the home office deduction and send the tax saved to principal
- 4 4. Business owners: rent your home to your business for up to 14 days
- 5 2. Lump sum from idle assets, then recast

A partial sale for the lump sum, then every legal tax saving from the home and the business sent to principal.

For: Business owners

Five-year sprint: 73 and over

- 1 81. 73 and over: send required distributions you don't need to principal
- 2 82. Use an annuity's yearly free-withdrawal amount
- 3 42. 70½ and over: give from the IRA directly and send the tax saved to principal
- 4 76. Surrender a policy you no longer need, for its surrender value
- 5 2. Lump sum from idle assets, then recast

Money that must come out anyway, a yearly free withdrawal, the tax saved by giving directly, and a policy no longer needed.

For: Grandmas and grandpas (62 and over)

Student loans gone, then the house

- 1 93. Let your employer pay student loans tax-free, then roll that payment
- 2 94. Public service loan forgiveness, then roll the payment
- 3 95. Teacher forgiveness or disability discharge for student loans
- 4 6. Debt rollover: redirect every payment that ends

Every student loan payment that ends becomes a principal payment the next month.

For: Single, Married couples, Newlyweds, Average household, College students

Two live-in flips, then no mortgage

- 1 72. Live-in improve and sell, every two years, tax-free gain each time
- 2 71. Sell in a high-cost area and buy for cash somewhere less expensive
- 3 11. Right-size: sell, keep the tax-free gain, buy smaller

Two sales two years apart, each gain excluded up to the limit, the last purchase made for cash or close to it.

For: Married couples, Newlyweds, Single, Business owners, No college degree, No high school diploma

Later-life cycle

- 1 11. Right-size: sell, keep the tax-free gain, buy smaller
- 2 12. Reverse mortgage (HECM) to retire the payment, 62 and over
- 3 2. Lump sum from idle assets, then recast

Right-size with the home-sale exclusion, or retire the payment with a HECM. Both trade equity for freedom from the payment.

For: Grandmas and grandpas (62 and over)

Left out on purpose

- Opening many credit cards or home equity lines at once to fund the payoff (credit stacking). It can mislead lenders and multiplies the risk to the home.
- Pledging an annuity as collateral. It can be taxed as a distribution and puts the contract's guarantees at risk.
- Hard-money or private bridge loans to pay off a home you live in. They are short, high-rate loans with a balloon at the end, built for investors with a planned sale, and they can cost the home.
- 401(k) loans to pay down a mortgage. Leaving the job can make the loan due quickly or turn it into a taxable distribution, and the money stops growing.
- Any plan sold as "guaranteed" mortgage payoff. Nothing here is guaranteed; the most predictable strategies are marked as such.

Velocity banking, measured

With the same monthly surplus, drawing a home equity line onto the mortgage only helps if the line costs less than the mortgage. The surplus does the work, not the line. Lines are usually variable and can rise.

Strategy finder questions

In the calculator's "Find my strategies" tab, a strategy appears only when every situation it needs is checked. Two filters can be added: no new debt, and most predictable only.

- Buying a home now or soon
- First-time home buyer
- Paying private mortgage insurance
- Current loan is FHA
- Veteran with a VA loan
- On active duty, with a mortgage from before service
- Savings or investments beyond the emergency fund
- Owns a policy with account value
- Owns a policy that is no longer needed
- Has a health savings account
- Has a Roth IRA
- Has car, card or other loan payments
- Family willing and able to help
- A spare room, unit or space to rent
- Owns acreage or a large lot
- Owns a timeshare or vacation property
- Selling land or another property
- Inherited, or is inheriting, property
- Owns a business or is self-employed
- Caring for a relative who lives in the home
- Gives to charity every year
- Limited income
- 62 or older
- 65 or older
- 70½ or older
- Could move out or relocate for a few years
- Owns a rental property
- Owns vested employer shares

- Owns a deferred annuity
- 73 or older, with retirement accounts
- Receives structured settlement payments
- Mortgage is owed to a person or small private holder
- Owns mineral rights
- Has student loans
- Works for government or a qualifying nonprofit
- Teaches in a low-income school
- Has a total and permanent disability
- Is a minister
- Has children under 19 (or under 5 for Head Start)
- Buys own health coverage
- Lender requires flood insurance
- Veteran with a disability rating
- Paying hospital bills
- Owns an S or C corporation and works in it