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Parents would hand over \$5,000 to help their kids pay down debt

Nice, but can your own finances handle it?

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All parents want their children to grow into happy and successful adults, so it's no wonder the vast majority say they'd provide a financial bailout for their debt-mired adult children.

Nine in 10 parents would give their children money to pay down debt—regardless of whether or not they expect the child to repay the funds, according to a [new survey by CreditCards.com \(https://www.creditcards.com/credit-card-news/parents-helping-children-with-debt-poll.php\)](https://www.creditcards.com/credit-card-news/parents-helping-children-with-debt-poll.php).

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your-

adult-

Parents say they'd hand over an average of \$5,705 as a gift or \$7,936 as a loan

children-

to help children reduce their debt, though the most commonly cited potential

really-

aid is between \$1,001 and \$5,000.

need-to-

know-

When it comes to a willingness to help, the type of debt makes a difference.

about-

Parents have the fewest reservations about helping their children pay down

your-

medical debt (68% had no problem with that), followed by student loans (52%),

money/)

utilities (47%), and mortgages or rent (45%).

By contrast, 57% of those surveyed say that they'd never help with a gambling debt, and only 13% would have no problem pitching in with credit card debt.

If you're thinking of providing debt relief to your adult child, keep these tips in mind.

Put your own finances first

Make sure that helping your child won't slow your progress toward your own financial goals.

If you're behind on retirement savings or don't have an emergency fund with at least three to six months' worth of expenses stashed away, for example, helping your child should wait.

Make it a gift, if possible

Structuring your assistance as a gift rather than a loan may help you avoid uncomfortable situations if junior doesn't strictly adhere to an agreed-upon payment schedule.

“Loans between family members don’t always work out well, and you may not get paid back anyway,” says Cynthia Meyer, resident financial planner with Financial Finesse.

Offer other resources as well

In addition to giving money, connect your child with other resources that can assist him with debt repayment, such as a nonprofit credit counseling agency or a medical billing advocate.

Your one-time assistance may put him on the path to more manageable debt, but it’s up to him to remain on it.

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Beth Braverman is an award-winning freelance journalist and content producer, writing mostly about personal finance, p... [Continue Reading](https://considerable.com/contributor/beth-braverman/) (<https://considerable.com/contributor/beth-braverman/>).



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