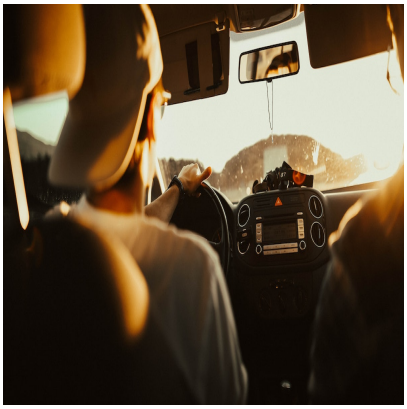


Learn How to Find the Best Auto Insurance Discounts

Description

Auto insurance can be costly, but there are numerous ways to save. Let’s look at some common insurance reductions.



Advance Purchase Discount

When it comes to switching vehicle insurance companies, time is everything. A one-day delay in coverage can result in a significant price hike. On the other hand, some insurance companies reward good preparation with savings if you acquire your new policy seven days before your existing insurer’s next premium is due. To ensure you receive the lowest price, give yourself at least two weeks before your existing policy expires to compare vehicle insurance rates and find a suitable car insurance advance buy discount.

Affinity Discount

Where you work, go to school, or pay membership fees can all help you save money on vehicle insurance. Some insurance companies offer affinity discounts to persons who work in vocations that

require less driving than the average and to pre-selected occupations, such as police officers, firefighters, doctors, dentists, registered nurses, engineers, scientists, and teachers.

Annual Mileage Discount

Car insurance companies make money by forecasting and anticipating danger. You are less likely to be involved in an accident and claim if you drive less. As a result, you are a less dangerous and more enticing client to an insurance provider.

If you drive a low-mileage vehicle, inquire with your insurance company about low-mileage discounts. Certain insurance companies may demand electronic monitoring of your mileage to validate a premium reduction.

Anti-theft Discount

A car equipped with anti-theft equipment can save you the trouble of dealing with a stolen vehicle and the insurance issues that come with it. Depending on your insurance company, you may also be eligible for a discount. While the discounts indicated here are minor, more modern anti-theft systems such as fuel/ignition shut-off switches and tracking devices can save you 10% to 25% on car insurance premiums on average.

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Driving Class Discount

Discounts are frequently offered after completing an accident-prevention or defensive driving course. Traffic rules, defensive driving practices, and drug and alcohol education are common topics covered in these classes.

These classes are usually offered by the state’s Department of Public Safety or Department of Motor Vehicles. Contact your carrier to find out which courses are eligible for savings, and if you qualify – certain carriers may only provide defensive driving discounts to seniors. New drivers under the age of 21 may benefit from completing a training course, which generally involves a set number of classroom hours and supervised driving hours.

E-Pay Discount

Reducing excessive paper use is good for the environment, good for business, and possibly good for your wallet. A few companies provide cheaper vehicle insurance plans to consumers who use e-Sign services, which allow you to sign your policy paperwork online, or e-Pay choices, which will enable you to receive paperless invoicing via email statements.

Good Driver Discount

A good driver discount, also known as a safe driver discount, is a wonderful bonus for insurance buyers with spotless driving histories. To be eligible for a good driver discount, you must have a set

number of years — often three to five — with no at-fault accidents and no driving offenses. Discounts tend to increase the longer your record is claim-free, with savings ranging from 10% to 26%.

Good Student Discount

Car insurance firms believe that good students are less prone to drive recklessly. Many insurers provide good student discounts to young drivers who have GPAs of 3.0 or above. This discount is frequently limited to drivers under the age of 25 and needs confirmation of GPA — typically in the form of a transcript or report card — at the start of each policy period. The average savings from a good student discount combined with a good driver discount are shown below.

Green Vehicle Discount

When it comes to car insurance, an eco-friendly vehicle is also cost-effective (and fuel conservation). Drivers who own or lease hybrids or alternative-fuel vehicles may be eligible for immediate discounts of up to 10%.

Because hybrids and electric vehicles (EVs) are frequently built with the most up-to-date features (according to the Highway Loss Data Institute, people traveling in hybrids are 25% less likely to be injured in an accident than people in traditional vehicles), you may be eligible for additional discounts for newer safety developments such as curtain airbags or Electronic Stability Control.

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Homeowner Discount

Premiums are determined by the amount of risk that a car insurance provider assumes when covering a policy. Homeowners (including traditional houses, condos, and apartments) are considered low-risk (read: less likely to file claims) and hence receive a discount.

Multi-Policy Discount

Buying Homeowners, Renters, or Condo insurance with the same insurer is one way to get a car insurance discount. This approach, known as bundling, may result in extra discounts with each coverage. Another advantage of bundling is that you can keep track of and make changes to your existing policies in one location.

Multi-Vehicle Discount

Many insurance providers offer savings for covering more than one vehicle on the same insurance policy, similar to the multi-policy discount. To qualify, the vehicles must be registered in the name of a single policyholder, driven solely by the policyholder or family members living in the same household, and be currently in use, not in storage.

This reduction is especially useful if you need to insure a teen driver. Restrictions vary, with some providers capping each policy at four vehicles.

New Vehicle Discount

Savings of 10% to 30% are available if you cover a new automobile — or a vehicle less than three years old.

Passive Restraint Discount

Factory-installed safety features, such as motorized seat belts and airbags, not only keep you safe but also save you money. Other safety equipment, such as anti-lock brakes and daytime running lights, may be eligible for additional discounts. When looking for a new car, check with your insurance company about any discounts that are available.

Pay-in-Full Discount

Paying your annual subscription in full allows you to forget about payment for a year and, maybe more crucially, gain a discount. Almost half of the insurers we looked at give you a discount if you pay your payment in full rather than in monthly or semi-annual installments.

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Distant Student Discount

If you are a college student attending an out-of-state — or simply out-of-town — university, or if you have a child on your policy who is attending school far from home, the Distant Student Discount might save you up to 30% on your insurance. Terms and mileage vary by carrier, but the qualifications are simple: a qualifying student must attend school hundreds of miles away from home and without access to a vehicle.

Telematics

Telematics and usage-based insurance offer new possibilities for vehicle insurers to price policies — and for good drivers to save money. Telematics-based insurance includes an insurance firm monitoring its client’s driving behaviors using a plug-in device and calculating monthly premiums based on such habits. Premiums based on telematics can be determined as early as six months into the insurance. If you’re a cautious driver, this is a terrific method to save money on vehicle insurance premiums, as your average speed and driving habits are factors in deciding your prices.

Other Types of Discounts

Some reductions are less prevalent and are not openly disclosed by insurers, but they might still save you money.

These are some examples:

- Senior citizen discount
- Military discount
- Customer loyalty discount
- No-claims bonus

Seasonal Car Insurance Promotions

Auto insurance premiums fluctuate like any other commodity. While seasonal vehicle insurance discounts are uncommon, automobile insurance firms routinely alter their pricing tactics in response to industry-wide statistics and changes to rating factors. Regardless of whether you can locate a car insurance promotion, the easiest approach to get the best rates is to shop around at every chance. By getting quotations every six months, you can maintain your finger on the pulse of insurance pricing and avoid missing out on a savings chance.

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1. Finance

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