

You shouldn't have! Gifts that are pricey for the recipient

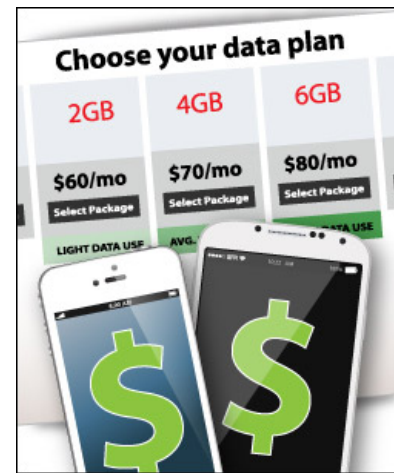
By Kira Vermond

What's not to love about ripping through holiday wrap and revealing the Perfect Gift? Unfortunately, some presents miss the mark -- and not because they fall in the ugly sweater category. While seemingly thoughtful and generous, these gifts are actually surefire budget busters, not just for those buying them, but for the recipient as well.

Here are a few potentially pricey presents you may want to think about before placing under the tree.

1. Electronics

Ever heard of "technology ecosystem?" That's what electronics manufacturers try to create when they sell, say, a smartphone or tablet to a new customer. Because their products might have compatibility issues with other companies' products, once you're sucked into their technology vortex, it's hard to get out.



- **Laptops and computers**

If you give someone a laptop or computer this year, be sure to ask if they prefer a certain high-end brand, or a more generic and cheaper variety. Buy the premium brand and they could be stuck paying for more expensive upgrades for years to come. Anti-virus software, photo editing programs and word document software often do not come preinstalled, which could lead the new owner to spend hundreds more.

- **Smartphones and tablets**

While this gadget seems like the go-to gift for those nearest and dearest to you, it's also the one that transfers huge expenses to the person getting the gift. Think \$80-plus for a talk-text-data plan, monthly service charges and fees. That's even before the recipient starts loading up the device with apps and media. Always ensure your friend or family member can afford the upkeep on the device you choose, or, if you have the money for it, offer to pay service expenses for the first six to 12 months.

- **E-readers**

An e-reader might be one of the hottest gifts this year, but that doesn't necessarily mean it's right for everyone. Although many of the basic models are inexpensive, they're as useful as a doorstop without a few books loaded on. While free books are often available, bestsellers are about the same price as buying them in-store. If you buy one, be sure to give a gift card, too, to pay for some January reads.

2. Battery-powered tools

Although you can buy a cordless drill without the battery -- and that would certainly make the gift less expensive -- by going that route, you're expecting the gift recipient to pay up for power. Do him or her a favour and buy the buzz.

3. Collectable toys

The words, "collect them all!" ought to send a shiver down parents' backs. Whether you're springing for a pricey doll or Thomas the Tank Engine set, there are always more outfits or train cars to buy. For instance, a Maplelea Alexi doll runs \$99.99, but comes wearing a boring T-shirt and jeans set. Add that Maple Cabin Lodge Set and it's going to put you back a cool \$40.

4. Single-serving coffee brewers

Convenient? Absolutely. Fast? Most can brew a cup of Joe in less than a minute. But cheap? No. Even if you do find a home brewing system for a great price, The New York Times once investigated and found the price of single-serving coffee capsules can cost the equivalent of about \$50 for a pound of coffee. That's well above even the priciest artisanal brew. Thinking about adding a brewer to your gift-shopping list? If you stock up on coffee too, that gift is going to be much more expensive than you bargained for.

5. Anything cheap

The ultimate waste of money? Poor quality. Before loading up at a dollar store or grabbing a cut-rate blender, ask yourself how long you think this item will really last. You could be buying something that the person will just have to replace -- and pay for -- in a few months.

6. Unexpected gifts

Springing a gift on someone who isn't expecting one - or having someone unexpected spring one on you - is a sure-fire way to make the recipient feel obliged to go out and spend money they weren't planning to spend to give a gift in return.

"We try to even everything out and give something with approximately the same value. It's crazy, but that's how we think," says Noel D'Souza, a money coach and certified financial planner in Toronto.

Put yourself in the recipient's shoes and think before you buy, says D'Souza. If you know someone is struggling with finances, don't give them a gift that will keep on taking.