

# Credit Cards and Students

Contributed by Webmaster

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If you are a student thinking about applying for a credit card, you are preparing to establish a credit record of your own. It is a good idea to start early. Whether in high school with a debit visa or mastercard that reports to the credit bureaus, or college, since a credit card will be essential once you've graduated. Setting up a respectable credit history is a good foundation which can help you tremendously later in life. Aside from banks, companies, landlords, and firms generally judge your credentials based on your credit rating.

### What to look for in a good student credit card

It is important though to choose the right credit card that will work best for you. Do your research. Study everything the credit card offers. Consider how much the annual fees are, APR (annual interest rates), and penalty fees if you fail to pay your bill in time. Make sure that the credit card provides a grace period or else the interest you will be immediately charged right after you made the purchase. Be careful about signing up for a credit card just because of a great introductory rate being offered. Make sure that this introductory period lasts long and not just a catch to lure customers. Why not consider credit cards by credit unions accessible from the campus. They usually have practicable rates and fees.

Once you've decided on the best student credit card for you, your main goal is to be able to pay off your balances timely and avoid any interest build-up. Below are good recommendations to practice to help you stay out of debt:

Create a spending plan. Have a list of all of your sources of income like part-time income, loans or scholarships, and allowances from your parents. Also, have a list of all your expenses like tuition fees, groceries, shopping, and other miscellaneous stuff.

Stick with one credit card. A single credit card is enough to get you by and this lets you keep track of all your bills and payments easily. Having a limited resource also keeps you from overspending.

If you own a number of credit cards, don't forget to pay the balances of the credit card which has the highest interest rate. However, as much as possible, it is better to avoid using your credit cards all at once.

Use your credit cards wisely. Be sure that the purchases you make are important and not just bought out of impulse or whim. Don't use your credit card on small purchases like snacks, or accessories.

Remember to check your credit report regularly. This will alert you if there is any incorrect information on your billing account.

If you are having problems paying on your credit card, don't be afraid to call your credit card issuer and ask if they can lower their rates for you, or waive late fees you've acquired. Most credit card companies will be willing to make arrangements in your behalf, especially if you proved to be a good payer in the past months since they would want to keep you as a customer.

As a student, owning a credit card will teach you discipline, responsibility, and proper management of your finances as you prepare to venture into the real world.

Samantha Wilson is a consultant for credit cards for students. For years she has written student credit cards articles that would help build student credit. For more info, visit: [www.buildingcreditforstudents.com](http://www.buildingcreditforstudents.com)

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