

Do You Know How to Use Student Credit Cards Well?

Building a strong credit history is important. A great many accomplishments, from renting an apartment for the first time to buying your first new car to getting your first "real" job, require you to have good credit. Therefore, you need to build a good credit history and start as early as possible. Student credit cards are an important building block in establishing your credit history.

Begin by picking the right student credit cards. Student credit cards tend to have high interest rates and can have quite a few hidden fees, so read the fine print closely and educate yourself about what to look for. Choose the credit card offer with the lowest interest rate and the most reasonable schedule of fees.

Then learn how to use a credit card sensibly. Using the credit card to buy a small amount each month is a good idea as long as you pay the balance in full at the end of each cycle. (After all, how are you supposed to show that you know how to be a responsible creditor if you never use your line of credit?) If you do carry a balance from one month to the next, pay more than the minimum required payment to reduce the amount of interest your account accrues.

If you are using your student credit cards wisely, you are unlikely to reach your credit limit. However, emergencies do happen. If you find yourself nearing your credit limit, stop spending immediately. If you go over, do everything you can to pay your balance down as soon as possible. Most credit card companies will happily let you exceed your limit because the interest rates they can then charge you are exorbitant. Another side effect is that when you exceed your balance, a note may appear in your credit report, which will lower your credit rating.

And, of course, always pay all of your bills on time. This includes not only your student credit card bills, but your utility and rent bills. If you pay any bill, even the smallest, late, that fact can show up on your credit report as a black mark against you. You have a grace period, but it is usually only about 30 days, so do not risk it.

Your credit history will determine more of your future than you suspect. Don't leave it to chance. Use student credit cards to establish the fact that you are a responsible and sensible consumer who can meet his or her financial obligations, and lay strong foundations for your future. Related Articles [Secured credit cards](#) -- [Low interest credit cards](#) -- [Bad credit credit cards](#) -- [Best credit cards](#) -- [Credit card application](#) --

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