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## Credit Cards and College Students

Many college students are graduating with more than just a degree. Due to the proliferation of credit card companies on college campuses they are also graduating with credit card debt. If you are a student, does this mean that you should rip up every credit card offer that comes your way? Not necessarily. If credit cards are not used responsibly, possessing them can seem like a mistake, but having good credit provides considerable benefits in today's credit-oriented society.

Once you graduate from college you will find that having a good credit score is important for many things – such as renting an apartment, getting a car loan, and even finding a job. Getting a credit card is often a good way to start building your credit score. When deciding what card to apply for avoid being swayed by any freebies the companies are handing out. Instead, note and compare the important features of each card, including:

- **The annual percentage rate (APR).** This is the interest that you are charged on any balance that you carry over, or do not pay off, each month.
- **The grace period.** A grace period is the number of days you have to pay off your balance before you are charged interest on your new purchases.
- **The fees.** These can include annual, late, and over-limit fees, as well as fees for not carrying a balance or using the card.

Which card has the lowest APR? Which ones do not charge annual fees? These features are more important than whatever gift you receive for applying.

Once you have credit use it responsibly. Careless use does not provide any benefits. You can use credit to your advantage by only charging things when absolutely necessary and repaying as much of the balance as possible each month. Prioritize making your payments on-time. If you make your payments late not only can you incur late fees and a higher APR, but your credit score may be damaged as well.

GFA Federal Credit Union believes that providing education on financial topics is as important as providing quality, value-added financial products. In addition to providing community seminars and workshops, GFA provides, at no cost to its Members, access to BALANCE – a personalized and confidential financial, credit and budget counseling service. For more information, visit your nearest branch, call 978-632-2542 or visit [gfafcu.com](http://gfafcu.com).