Why Should You Pick Student Credit Cards?

If youre a college student and youve been bombarded with ads for student credit cards, youre probably wondering whats different about them. After all, student bank accounts offer substantial advantages in the form of low fees and free accounts. What makes student credit cards ideally suited to students?

The primary difference is that student credit cards are much more likely to approve you. Regular credit cards are choosy about the credit histories of the people they approve, and usually require them to have a solid source of income. When you have never had a credit card and you have a low paying college job, meeting the requirements of a regular credit card can be tough. However, student credit cards are designed to take this difficulty into account. Some require you to have a cosigner, usually a parent or guardian, whose own income is high enough to assure that the credit bills will be paid. Other issuers dont require cosigners. If you choose a card that requires a cosigner, be aware that the cosigner can see all the purchases you make. If that doesnt bother you, then cosigning for a card offers you more security. On the other hand, if you want your privacy, choose a card that doesnt ask for a cosigner.

Student credit cards sweeten the deal by offering money back on purchases you charge to the card. You could get back as much as 20% if you buy at the card companys partner retailers. That can add up to some remarkable savings. Just check beforehand to make sure the stores you can save at are the stores you like to go to.

The tradeoff for getting a credit card without a credit history is that the company covers the risk of taking on unproven creditors by slightly raising the interest rate on their student credit cards. Many student credit cards offer rates at least a few points higher than the going rates for regular credit cards. Compare as many offers as you can find, and put a lower interest rate first when choosing a credit card. Ignore promotional offers of a 0% percentage rate. That rate lasts only six months or so, and after that it bounces up to the much higher normal rate. A higher interest rate will result in increased monthly payments, but responsible use of your credit will reduce its impact. Keep your balance low by charging only what you need, and pay on time without fail so that you not only avoid hefty late fees, your credit rating looks better when you graduate. With a good credit rating and a good record of using your student credit card, you will find it easy to trade up to a regular credit card and a lower interest rate. More related information Student credit cards - Student credit cards - Credit cards for bad credit - You can view it at http://www.seoboot.net/finance/are-student-credit-cards-good-or-bad.html" title="Best credit cards, Low interest credit cards">Low interest credit cards - Credit card application -

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