

# Charge it...or don't

Credit cards can be beneficial when used wisely. They can help build your credit and even improve your credit score, if done correctly. The important thing to know about credit cards is...never pay credit card interest. Pay off the bill in full each month. If you have to carry a balance over to the next month, pay more than the minimum.



## Did you know?

The average credit card interest is 19.07%.

The minimum monthly payment is usually only 2%.

Which means if you only make the minimum monthly payment, it will take you a long time to pay off your debt.

Say you have **\$1,000**  
in credit card debt

with a credit card that charges **19%** interest.



If you pay only the  
minimum payment  
(about \$25),

65% OF YOUR MINIMUM PAYMENT  
IS ONLY INTEREST FOR THAT MONTH

it would take



to pay off the debt by  
making minimum payments alone.

THAT'S OVER 9 YEARS!

Your \$1000 would cost you, **\$1,989.56!**

## To sum it all up

Credit cards can be a valuable financial asset. They allow you to buy items immediately and can earn you rewards. They also offer better protection from fraud than a debit card.

**BUT...** spending on a credit card is like taking out a loan. If you don't pay it back right away, you start to pay interest, *high interest*. The best way to use a credit card is to pay it off in full every month.

