

College Credit Card Debt

Contributed by admin
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Many students are going into debt. Not just from student loans, but from credit cards as well. College students across the country are embracing the live it up now and pay later way of thinking. But do they realize how long they will be paying for it? Most college students are excited about graduation. But in a short time, the reality of student loan payments and credit card bills sets in. Not only do they have to pay their debts, they must find a way to live.

Only \$3000 in credit card charges can take 36 months to pay off at 10% interest with a payment of \$100 a month. Most college students have interest rates of 18% or higher.

And the majority of students can be expected to continue to charge on their cards after they graduate. Credit cards are a habit that is easy to fall into to, but hard to break.

Look at what you purchase while you are in college. Do you really want to be paying for three years or more on your pizza, CDs and cell phone bills?

Leave your credit card at home. If you have a credit card to help establish a credit history, don't take it to college. It is too tempting to have with you. It is easy to say "Just this time." If you aren't able to pay off your balance at the end of each month, you are using your credit card too much.

For instant access to your money, use a debit card. You will be limited to only spending what you have in your checking account. This gives you the convenience of a credit card, but with limits.

Be frugal in your spending. Shop around for the best cell phone plan. Use your free minutes wisely. Exceeding your plan minutes can be quite costly, so watch when and where you use your phone. Look for ways to cut your expenses. This is often quite easy when you are in college. Use coupons to shop. Eat in the cafeteria and live in the dorms. Find a roommate to split the bills with. Take advantage of the free activities on campus for your entertainment. Share with your friends. Plan ahead for the things you know you will need. Get a job.

Take this time to learn how to budget and plan for your future. These are skills you will need throughout your life. If you start now, it won't take you very long to achieve your goals. You will find that purchasing a house, buying a car and going on vacation is much easier when you are financially prepared. Make paying off your debt a priority, and you will be one step closer to the things you want out of life.