

# *Using Your* **CREDIT CARD**

BROUGHT TO YOU BY



(800) 422-5852 ■ [kitsapcu.org](http://kitsapcu.org)

- IT'S A -  
**MONEY  
THING®**

Paying your balance in full and on time is the best way to use your credit card responsibly



*Paying in full and on time:*

**THE BENEFITS**



# CREDIT REPORT

## **BUILD CREDIT**

By using credit responsibly, you're contributing to your credit history, which will make it easier and more affordable to secure a loan in the future

## **SKIP THE INTEREST**

By paying in full and on time, you avoid carrying a balance on your card, which means the credit card company cannot charge you interest on your balance





## **STAY OUT OF DEBT**

By sidestepping the cycle of minimum payments and interest charges, you're able to use your credit card without the fear of spiraling into debt

## DODGE LATE FEES

Paying on time protects you from being hit with late fees and other penalties for missing payments





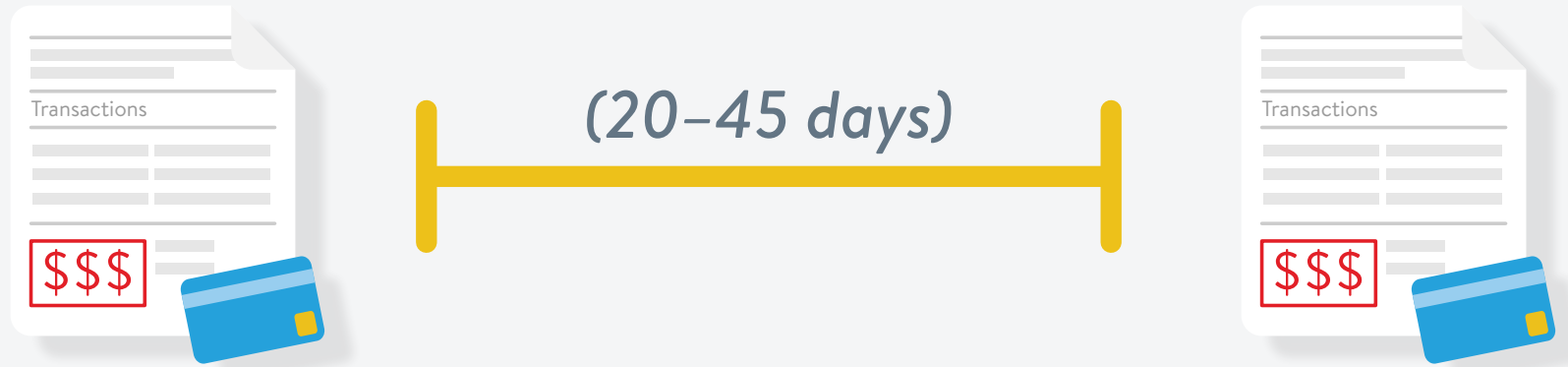
## **ENJOY REWARDS**

Maintaining healthy credit card habits means you're free to enjoy the perks and rewards of your credit card



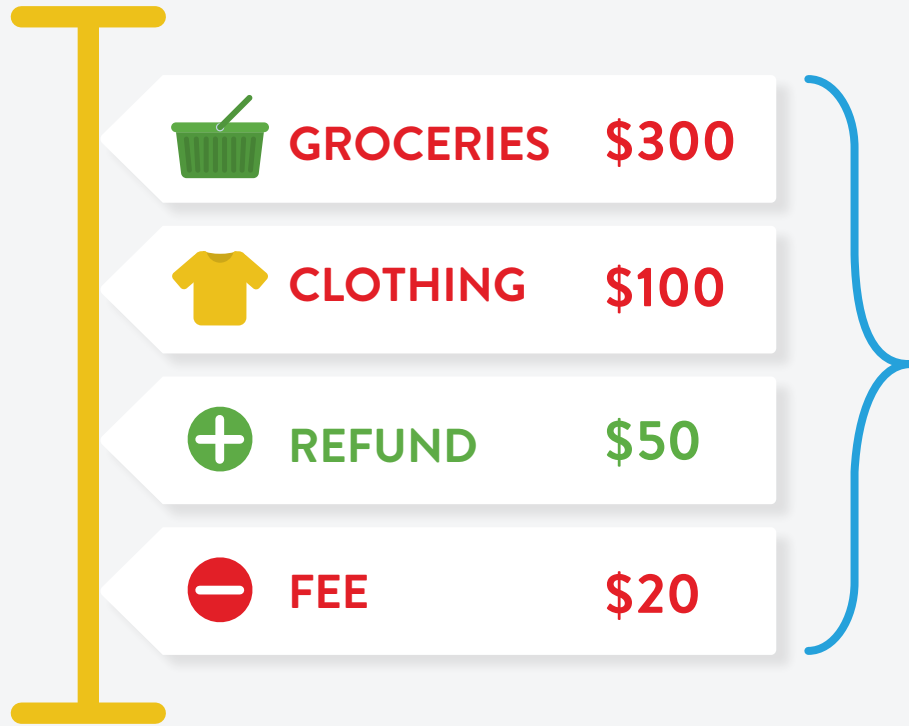
*Brush up on your*  
**BILLING CYCLE**





# CREDIT CARD BILLING CYCLES



A billing cycle is the period of time between billings—it can vary from 20 to 45 days, depending on the credit card issuer

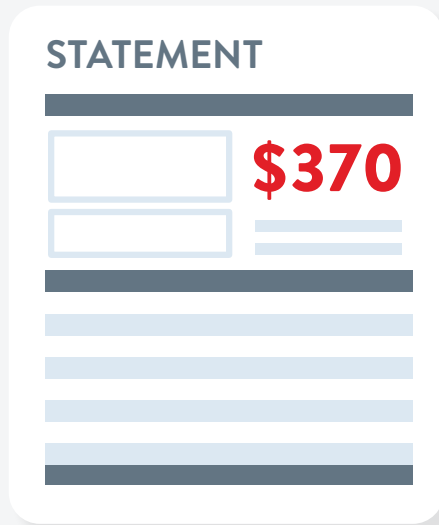
# CREDIT CARD BILLING CYCLES



	<b>GROCERIES</b>	<b>\$300</b>
	<b>CLOTHING</b>	<b>\$100</b>
	<b>REFUND</b>	<b>\$50</b>
	<b>FEE</b>	<b>\$20</b>

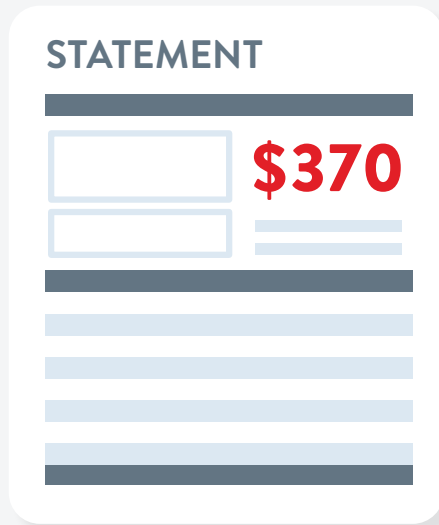
Within that time frame, purchases, credits, and any fees or finance charges are added to and subtracted from your account

# CREDIT CARD BILLING CYCLES



When your billing cycle closes, you are billed for the remaining balance—this will be reflected on your credit card statement

# CREDIT CARD PAYMENT TIMELINE



Your statement also shows your payment due date, which is usually about 20 days after your billing cycle ends

# CREDIT CARD PAYMENT TIMELINE

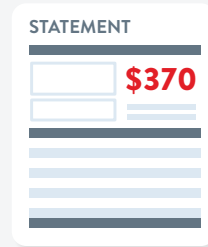
BILLING CYCLE 1

BILLING CYCLE 2

The **grace period** is the time frame within which you can pay your bill without penalty!



GRACE PERIOD



PAYMENT DUE DATE  
(for balance from  
Billing Cycle 1)

# CREDIT CARD CHECKUP



- **Do you know when your billing cycle opens and closes?** For each credit card you use, take a look at your last three credit card statements to figure out when your billing cycle starts and ends
- **Are you paying your bill early enough?** You want your payment to be applied during the grace period and before the due date to avoid fees and penalties—allow ample time (a week or more) for your payment to process

*Treat your*

**CARD LIKE CASH**



Treating your card like cash means using it to pay for **regular expenses you know you can afford** with money you already have



# TREAT YOUR CARD LIKE CASH

## DO

- Remember: your credit card transactions are mini-loans
- Pay for things within your regular budget
- Decrease your reliance on credit cards by saving up for an emergency fund



## DON'T

- Pretend your credit card is access to “extra income”
- Use credit to justify extravagant purchases
- Postpone saving money simply because you have access to a credit card

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Sources: Investopedia, The Balance

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