

# What To Look For When Choosing A Credit Card

Contributed by Webmaster

By MIKE SELVON

Consumers with reasonably good credit may receive several credit card offers in the mail each month. Companies may offer such things as a 0% introductory rate or low rates for balance transfers. While such offers may be tempting, it is wise to read the fine print on any offers you receive before applying for a card. You also need to evaluate your financial needs as well as your own debt management skills before choosing among the proliferation of cards being offered.

The first thing most consumers look at in credit cards is the annual percentage rate, or APR. While this is an important factor, it is not the only thing to consider when evaluating offers. You also need to look at things like finance charges, over-limit fees and late charges. These things can add up to a higher than expected bill.

If you plan to pay off your balance every month, then you should also look at the grace period. This is the period of time you have to pay off your balance before the company starts charging interest. In recent years, grace periods have gotten shorter, and many card companies have done away with them altogether. However, many companies still have grace periods as long as 25 days. If you pay off your credit cards every month, then this will be a benefit to you.

Consumers often seek to take advantage of credit card offers of low introductory interest rates. Companies may offer interest rates of 0% APR. Companies also offer low interest rates for balance transfers.

These rates can be a great advantage for the consumer who can pay off their card debt quickly, within the introductory period. It is important to remember that these low rates are temporary, and after a period of time, usually six months, the regular interest rate will kick in.

In the past, a credit card company would decline a purchase once the consumer had reached his or her credit limit. However, these days, the charge on the card will be accepted, and the company will charge an over-limit fee. This is another of the many factors consumers need to watch for when evaluating card offers.

Fortunately, the internet has made the task of comparing offers much easier. There are many websites that give comparisons between various offers. The Federal Reserve Board has a website at "Federal Reserve" where consumers can check out various offers. A bit of homework before you fill out an application can save you from taking on more personal debt, in the form of fees and interest down the road.

Discover more about credit card shopping from Mike Selvon portal where a free gift awaits you. We appreciate your feedback at our debt relief consolidation blog.