

Using Your Credit Card To Boost Your Credit Score.

Having a high credit score can translate to a lot of good benefits: lower auto rates, lower mortgage rates, and other perks.

HOUSTON, UNITED STATES, March 3, 2017 /EINPresswire.com/ -- Having a high credit score can translate to a lot of good benefits: lower auto rates, lower mortgage rates, being offered the best rewards credit cards, and other perks. As a result, it should be the goal of every individual to raise their score as much as is possible as quickly as possible.

Using a credit card is probably the easiest way to raise your credit score over time, and in this article we are going to look at how to do just that.



Using credit Cards To Boost Your Credit Score.

Pay On Time, Every Time

Clocking in at 35% of your total credit score, payment history is the single most important factor for determining your score.



You should make it your goal to use less than 10% of the credit that is available to you at any one time. This is because 30% of your credit score is determined by a factor called credit utilization.”

Patrick Mansfield

If you have never had credit before, this means that you will need to establish a good record of paying some sort of credit bill regularly. For those who are afraid to use credit, start by putting your gas purchases onto a credit card and then paying them off on time each month.

Don't Spend Too Much on Your Card(s)

When you apply for a credit card, the issuer will give you a credit "limit" based on your credit history and income. This is the amount of money that you are allowed to access via

credit.

However, you should make it your goal to use less than 10% of the credit that is available to you at any one time. This is because 30% of your credit score is determined by a factor called "credit utilization".

Credit utilization is a number that measures how much credit you are using versus how much is

actually available to you. The higher the number, the greater of a credit risk that you become in the eyes of lenders. As a result, it is best to keep your ratio beneath 10% from month to month, and the closer that you can get it to 0% the better.

Never Close Accounts

Often, individuals make the mistake of closing their accounts simply because they don't want them anymore. This can harm your credit score because it reduces your amount of available credit history available for lenders to review. Credit history is the third largest factor of determining your credit score, and it makes up 15% of the total.

TIP: If Your Need To Close An Account Try And Close The Most Recent Account.

The only exception for why you might reasonably close an account would be if that card issuer charges a high annual fee. However, before closing the account you should attempt to call the credit card company to get the annual fee waived.

Since it is more difficult to gain a new customer than to keep an old one, credit card companies are often willing to waive these annual fees to keep your business.

Think Wisely Before You Apply for New Credit

While the credit card offers that exist these days can be highly tempting, make sure that you don't apply for various credit cards quickly. Every time that you apply for a credit card, a "hard pull" is made on your credit report by the lender.

If you have more than two hard pulls on your credit report every year, it makes you look like you are desperate for credit and this can hurt your score. That is why the number of hard pulls on your report actually makes up 10% of your score.

So, before you apply for any new credit, you will want to consider these two things:

1. How likely are you to be approved? You don't want to waste a hard pull on a card that you may not be approved for.
2. Have you applied for too much credit lately? If so, you may want to reconsider applying now and wait for a few months.

Realted Articles On Consumer Credit Reports And Scores:

[Consumer Rights With Their Annual Credit Report.](#)
[The Five Data Points Used In Calculating Credit Scores.](#)
[Consumer Credit Reports Home Page.](#)

Patrick Mansfield
Info Seek Media, Inc.
8329473607
email us here

This press release can be viewed online at: <http://www.einpresswire.com>

Disclaimer: If you have any questions regarding information in this press release please contact the company listed in the press release. Please do not contact EIN Presswire. We will be unable to assist you with your inquiry. EIN Presswire disclaims any content contained in these releases.
© 1995-2018 IPD Group, Inc. All Right Reserved.