



Q & A: Debit Cards Can Save You From The Debt Trap

Question:

I've seen booths around my college campus offering free items if I sign up for a credit card. I wouldn't mind having plastic to carry instead of cash. Is this a good idea?

Answer:

To many college students, getting a free T-shirt and a line of credit seems like a great deal. But before you sign up, consider this: Twenty-one percent of college students owe \$3,000 to \$7,000 in credit card debt.

What's more, once you're in debt, it's hard to dig out. And outstanding credit card debt can limit your chances of getting a loan later in life--so you might find it hard to buy a house or a new car.

If you want to avoid the debt trap, consider getting a debit card instead of a credit card.

Debit cards offer the convenience of credit cards with one important difference: The money comes directly from your checking account so you can't spend more than you're able to pay. Debit cards also function as ATM (automated teller machine) cards, so you can get cash when you need it.

Debit cards can help you avoid falling into debt. Contact Fairmont Federal Credit Union to find out more.

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