

# 10 Things Every Teen Should Know About Credit Cards

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Under the new CARD act that went into effect in February of this year, those under the age of 21 can get a credit card only if they either have a co-signer older than 21-years-old, or they can prove that they have enough income to pay off the debt themselves.

Many financial advisors are recommending that parents refrain from co-signing for a credit card, as they will be held liable for all outstanding debt. Instead, they suggest that parents add their children to one of their own cards so that they can monitor their charges.

And before your child is handed the responsibilities that come with a credit card, be sure to run through the list of 10 things every teen should know about them, thanks to Craig over at CashMoneyLife:

1. A credit card is a contract
2. Unpaid bills put you further and further behind
3. A credit card offer in the mail does not make you special or important
4. The minimum payment is not what you should pay
5. Grace period is not an act of kindness
6. Get the right credit card for you
7. A higher credit limit is not the goal.
8. How Banks Make their Money: Interest rates and fees
9. Never lend your credit card or credit card number
10. People spend more money with credit cards than cash