

Your first credit card

Moderate · 30 min to compare cards; 10 min to set up autopay · Free if you pay in full; watch for annual and other fees

A first card is a tool for building credit, not extra money. Under 21, you need your own income or a cosigner. If you can't qualify yet, a secured card (backed by your own deposit) or being an authorized user on a parent's card can start your history, but only if the issuer reports to the credit bureaus. Then set autopay, keep the balance well under 30% of the limit, and pay in full so you never pay interest.

YOU'LL NEED

- | | |
|---|--|
| ☐ Proof of your own income (a pay stub works) if you're under 21 | ☐ Two or three card offers to compare |
| ☐ Your checking account details for autopay | ☐ Your credit reports from AnnualCreditReport.com |

WHAT TO KNOW

- 1 Know why you want one.
- 2 Check whether you can qualify on your own.
- 3 No income or no history yet?
- 4 Or ask to be an authorized user.
- 5 Ask your bank or credit union what they offer.
- 6 Compare the real costs before you apply.
- 7 Apply for one card, not five.
- 8 Set up autopay the day the card arrives.
- 9 Keep the balance low.
- 10 Pay the full statement balance by the due date.

Watch out Missing payments is the expensive mistake. If you don't pay at least the minimum, your interest rate might go up, you might have to pay fees, and it could damage your credit history. If you're more than 60 days late, the card company can raise the interest rate on all your balances. And if autopay pulls from checking, keep enough there: an overdraft can mean a bank fee.

DAD NOTE *Treat it like a debit card that reports to the bureaus. If the money isn't in checking, don't swipe.*

Full lesson: aptkeys.com/money/credit-reports-and-scores/your-first-credit-card/

Checked October 3, 2026. Sources: Consumer Financial Protection Bureau; Federal Trade Commission.