

Bad Credit Mistakes Haunt Consumers on Halloween and Year Round Credit Counseling Experts Help Fight Fright with Credit Tricks and Tips

SUNRISE, Fla. (October 4, 2010) – Monster movies may sometimes keep kids awake at night, yet adults are more likely to be tossing and turning worrying about making ends meet and dealing with the budgetary boogeyman. This Halloween, certified credit counselors at the national non-profit American Debt Counseling (www.americandebtcounseling.org) advise consumers to avoid the kind of mistakes that damage credit scores and haunt people for years.

Don't be a werewolf about bills: Just like a werewolf's full moon, bills come around each month. With a little organization and preparation, the thought of paying bills doesn't have to turn anyone into a monster. The largest part of a credit score, 35%, is related to payment history. Make a calendar of when bills are due and create a spending plan to pay each on time.

Beware of zombie credit card accounts: The total amount owed makes up 30% of a credit score so it is important to pay down debt. Maxing out cards or moving debt from one account to another just feeds the debt with interest charges and keeps it alive long after it could have been killed off.

Vampires and credit histories live forever: Anyone considering closing scarcely used credit accounts should think twice. The length of a person's credit history makes up 15% of the credit score. As long as you don't use them too often, you don't need to worry about them sucking your budget dry.

Watch out for that wand: With all the free credit card offers around, you don't need to be a witch or wizard to make new credit accounts appear. Still, new credit makes up 10% of your score and it is not a good idea to open several new accounts at once.

Who you gonna call? The final part of your credit score, 10%, is based on the type of credit a person has, such as revolving credit used by credit card companies and secured credit obtained for major purchases such as cars and homes. It's good to have a mix to avoid getting slimed by a low credit score.

Don't act like you live in a haunted house: The number one mistake a person can make to destroy one's credit history is to ignore or hide from problems that may arise. Not answering your phone or opening the mail will not make the problem become invisible and go away.

Invasion of the body snatchers: Identity theft can make a mess out of your life and your credit score. Guard your private information by shredding credit card offers and old financial records and never giving out personal information such as your social security number by writing it on a check or furnishing it to a stranger.

It's alive!: While your credit history may not actually be alive it does change as time goes by and can get easier to live with or, if you aren't careful, it can turn into a monster. Keep your eye on it by reviewing your bills and bank statements as soon as they come in, monitoring your credit reports regularly and using credit responsibly.

Based in Sunrise, Fla., American Debt Counseling, Inc. is a 501 (c) (3) non-profit organization providing financial education programs as well as confidential and professional certified credit counseling and debt management services across the nation. American Debt Counseling, Inc. is BSI registered and a member of the Association of Credit Counseling Professionals.

For a free budget review from a certified credit counselor please call Kirby Nelson at 1-888-DEBT-USA, or go online to www.americandebt counseling.org.

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