

## **Protect your credit score**

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Part of every financial scenario is a healthy credit score. High scores make the difference between favorable interest rates and easy credit availability. Here are some tips to keep your score as healthy as possible.

**Don't Miss Payments.** This is the holy grail of credit score basics. Do your best to pay on time and try not to buy anything that could endanger your ability to meet this absolute requirement. If you have missed payments in the past, establish a new on-time record starting now.

**Don't Charge Up To The Limit.** Try to pay down card balances to no more than 30 percent of the account limit. In addition to paying the accounts down, you may be able to get some limits increased by talking to the card issuer. Either way, try to maintain no more than that 30 percent level.

**History is Important.** One of the most important aspects of your credit score is the length of time you have with an account. That means it is probably not a good idea to close out old accounts even if you haven't used them in a while. Keep those old accounts and use them now and then.

**Spread Things Out.** Try to use credit wisely. Having different types of credit is important to a solid score. Never apply for credit that you don't need but be sure that you use appropriate types of accounts based on your financial planning. However, don't apply for new credit in advance of a need for a new home loan or other large purchase and don't change your spending habits too drastically or too quickly. Creditors are hypersensitive to risky situations these days.