

Consumer and Family Sciences



Department of Consumer
Sciences and Retailing

To Your Credit: Fact Sheet 6

Protecting Your Credit Information



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<http://web.aces.uiuc.edu/cfe/ccs/index.html>*

Credit cards are a commonly used tool for most Americans. They are necessary to book rental cars and hotel rooms and are more convenient than cash. They can be safer than cash too, but only if you treat them carefully. Fraud is big business, and if someone steals your credit card information, it can lead to a time-consuming, costly financial disaster for you. Most fraud happens within 48 hours of the card theft. Most fraud happens because someone steals the information on the card, not the card itself. With your card number and its expiration date, thieves can run up bills and ruin your credit rating fast. Crooks can get the information they need from credit card receipts they steal from the trash, from lost cards, by stealing your identity, or when you give the card number over the phone to unknown persons or companies.

How can credit fraud happen?

To use your account, a thief needs either your actual credit card or the card number and the expiration date. Here are ways you can lose control of this credit asset:

- Someone steals your purse or wallet.
- Someone uses your credit cards without your knowledge or permission.
- A fraudulent telemarketer calls you and asks for information from your credit card.
- You receive a letter or postcard asking you to claim a prize by calling a 900-number. When you call, they ask you for your credit card number and expiration date to “verify” your identity.
- Someone goes through your garbage and finds old billing statements, credit card receipts, printed credit card access checks, or an offer for a new, preapproved credit card.
- A thief steals outgoing or just-delivered mail from your unprotected mailbox.

- A clerk where you used the card copies the information and uses it elsewhere or sells it.

Credit card precautions

• Limit your credit cards

There are several ways to keep your credit to yourself and to be sure you have not already been robbed. If you have more than two cards, consider getting rid of some or leave them at home safely hidden.

If you cancel a card, cut up the card and send a letter to the card issuer. Ask that they notify the credit bureau that the card was canceled “at the customer’s request.” Keep a copy of your letter.

• Treat your credit cards like cash

Do not leave credit cards or receipts where someone could see your credit card information. Do not give your card to others to use. When you get a new card, cut up the old one before you throw it away. Sign a new card at once with ink.

Today, credit card fraud is big business. Most fraud happens because someone steals credit card information.

Do not write your PIN number on your card. Memorize it! Do not forget to notify credit card companies when you change your name or address. Failing to notify them is like leaving cash around the house after you move. Wouldn't you rather have it to use yourself?

• Reconcile your receipts to your statement

Save your receipts in a special folder, envelope, or pocket of your wallet. When your billing statement arrives, promptly check that your charges and receipts match. If something on the billing statement is wrong, such as a charge you do not remember making or a wrong amount, call the card issuer immediately. Follow up with a letter detailing the problem.

• Act fast if your card is lost, stolen, or used fraudulently

Call the card issuer right away. Your credit card statement will list a toll-free number for reporting. Follow up on the call with a letter. By law, once you report the loss, you have no further liability for unauthorized charges. Under federal law, your maximum liability for fraudulent charges is \$50 per card. This can add up if you lose several cards. If you report the loss before the cards are used, you cannot be held liable for any unauthorized use.

Be prepared if you lose your credit cards

The average credit card user has eight to 10 cards. What would you do if you lost all of your credit cards? Who would you call? Do you have your card numbers recorded somewhere?

Use the form below to list all your credit card information and the toll-free numbers to call in case a card is missing or stolen. Add lines if you have more cards. With this information, you do not need credit card insurance. Keep this list hidden in your address book or with other important papers for easy reference, but away from prying eyes.

Credit Card	Card Number	Expiration Date	Number to Call
1.			
2.			
3.			
4.			
5.			