

Protecting Your Credit Card / Debit Card

One of the fastest growing crime enterprises in the United States is identity theft and credit card theft. It is important that each of us take steps to protect our credit cards and identity as well as manage our financial matters wisely.

Take the following steps to protect your identity and credit:

- Photocopy both the front and back of all your credit cards and keep the copies in a safe and secure location i.e., lock boxes, safety deposit box and if a student, with your parents. This will enable you to cancel your credit card as soon as possible if stolen.
- Sign all credit cards as soon as they arrive.
- Do not leave credit card bills, credit card and ATM transaction receipts, store receipts, bank account statements lying out in the open where anyone can see the account numbers. Keep important papers out of sight.
- Remember to pay any bills before the due date. Make sure you take all of the mail out of your mail box as soon as it arrives.
- When disposing of any papers that might have account numbers on them make sure that you tear them up in small pieces before you put them in the trash. This includes any mailings that come indicating you have been pre-approved or offering you credit.
- Do not carry credit cards in your wallet or purse. Carry them separately, if possible.
- Unless you have initiated the transaction and are absolutely confident you are dealing with a reputable company, never give your credit card account number over the telephone or Internet.
- Don't be fooled by a scam where a con artist asks for your credit card number to "verify" a prize he or she says you have won.
- Never give information over the telephone to an unknown caller. If a caller tells you he represents your bank or financial institution, hang up and dial that institution to confirm that the caller is actually from your bank. Be sure you have a dial tone before making the call.
- Notify credit card companies in advance of a change in address.
- When you use a credit or debit card to make a purchase, maintain visual contact with the card whenever possible and make sure no extra imprints of your card are made and the transaction receipt is deposited in the cash register. Destroy all copies so no one can obtain your account number.

- Keep your credit/debit card receipts and check them against the monthly billing statement.
- Smart cards such as pre-paid phone cards and bank cards provide protection against someone stealing your card and charging large amounts against your account. They carry a specific amount of money and when the amount is spent no more money/credit is available. Carefully study the costs of transactions with such cards so that you get the most value for your money. Once the money on the card is spent, destroy the card if it is not renewable.

What to Do When Your Credit Card and/or Identity is Stolen

Immediately notify the credit card companies when cards are lost or misplaced. If you report the loss of a credit card to the issuer before it is used by someone else, you owe nothing. But if charges are run up before you report the card stolen, you are liable for \$50 or more. In reality, many issuers often waive that fee. If you still have your card but the account number was used without your authorization, you owe nothing.

In cases involving identity thefts, you must send the information in writing. Let them know that you are willing to cooperate with them to re-claim their loss. Be clear that you are not responsible for the charges in question and someone else used your card to steal. Keep copies of all your correspondence and document telephone calls you make.

Any other creditors affected by the theft of your identity should be notified immediately in writing. Contact your local police department, county sheriff or State Patrol office to report the theft.

Nebraska State Patrol number: (402) 471-4545.

Immediately call the three national credit reporting organizations to place a fraud alert on your name and Social Security number. You should follow up any verbal communications with a letter explaining your situation. The toll free contact numbers and addresses of the major credit reporting agencies are:

- Experian, PO Box 2002, Allen, TX 75013-0949 (888) 397-3742
www.creditexpert.com
- TransUnion, PO Box 2000, Chester PA 19022 (800) 916-8800
www.transunion.com
- Equifax, PO Box 740241, Atlanta, GA 30374-0241 (800) 525-6285
www.equifax.net

If you suspect that someone is using your Social Security number, contact the Social Security Administration office at (800) 269-0271. Make them aware someone is using your number and may attempt to access your account. Sometimes it is even necessary to have a new social Security number issued.

Students should report any problems they have with student identification cards. Since many campuses recognize student ID as credit cards, report it missing and/or stolen to campus security and visit the office that issues student identification as soon as possible. Ask them to replace the missing ID and nullify the previous one.

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Reference:

Schroeder, D. E., Versch, R. L., (2008). Protecting Your Credit and Identity. *NebGuide*. University of Nebraska–Lincoln Extension Publication G1767.

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