

# Reading a Credit Card Statement

A credit card statement reveals a lot about what it costs to charge stuff and then pay interest on the loan. Let's see what information is found on a typical statement. Take a look at the credit card statement below:

## Credit Is U

AMERICA'S CREDIT CARD COMPANY

Cardmember Name:

Tim Gray  
1562 W. Wells Way  
Lakeland, FL 33803

Account Number: 000 000 0

Payment Due Date: 2-19-18

Minimum Payment: .00

Total Amount Due: 1124.17

Amount Enclosed: \_\_\_\_\_

Mail Payment to: PO Box 00000000  
Newark, DE 19716

Detach and mail this portion with your check or money order to the address above. Do not staple or fold.

Account Number	Billing Date	Payment Due Date	Days in Billing Period
000 000 0	01-25-18	02-19-18	32
Date	Reference Number	Description	Amount
1-14-18	01010101	CD Haven	22.30
1-21-18	02020202	Pizza, Etc.	8.33

Credit Line: \$7,500

Credit Available: \$6,336

Previous Balance	- Payments & Credits	+ Finance Charge	= New Balance	Minimum Payment
\$1,072.30	.00	21.24	1,124.17	.00

The finance charge is determined by applying a periodic rate of	Which is an ANNUAL PERCENTAGE RATE of	To that part of the balance subject to finance charge of up to	Balance computation methods shown on reverse side
.05754% Daily	21.00%	Entire Balance	Average daily balance

Purchases, returns, and payments made just prior to billing date may not appear until next month's statement

**Inquiries: Send inquiries (not payment) to : PO Box 222, Denver, CO 80202**

**Notice: See reverse side for important information.**

# Questions

**1.** How much did Tim Gray charge in the month of the statement?

**2.** Did Tim make a payment in the previous month?  
If so, how much was the payment?

**3.** What is the total credit available on this credit card?

**4.** How much of that credit was available at the time of this statement?

**5.** How does Tim's previous balance compare to the new balance shown on this statement?

**6.** Was Tim charged a finance charge this month? If so, what was the amount of the finance charge?

**7.** What is the annual percentage rate for credit on this account?

**8.** Looking at this statement, do you think Tim is handling his credit well? Why or why not? What would you recommend?

