

What happens if I don't pay my minimum monthly payment?

Today, most large credit grantor's are only requiring 1.5% of the balance per month. Resulting in payoffs being 20 years down the road. That's a long time to be paying on items.

Therefore, if you are unable to pay that small amount credit grantors get very concerned.

Most credit card agreements will immediately consider you in default, hike your interest rate up to the highest APR, and report the delinquency to the national credit bureaus.

This results in a whole new set of problems with other credit grantors.

The credit bureaus report your payment history for up to 24 months. That one late or no pay will be on your credit report for all that time.

While some credit grantors will defer your payment for a month or two, you need to ask what that delay will cost you. Many charge \$10 or more.

See our related article: [Pay One Bill Late, Get Punished by Many](#)

If you are having problems paying your bills, see our Helpful E-Pamphlets, which discuss Budgeting, Saving and Managing Credit.

[Click here to see how long it will take to pay-off your credit card balance.](#)

What's most important here, is do what you can to make that minimum monthly payment - borrow from family, sell something on e-bay or get a bank loan & pay off the entire amount. It is important for your financial health to make that minimum payment.