

Credit Cards and Identity Theft

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Once upon a time, your biggest worry with a credit card was that someone might use it if you lost it or it was stolen. With the ever increasing complexity of today's world, there's a bigger danger lurking for the unwary. It's called identity theft, and until a few years ago it was so rare that victims were often not believed when they tried to explain their situation.

The widespread computerisation of records has made it far easier than ever to gather not just hundreds but hundreds of thousands of account names, identification numbers and other identifying information. All it takes is the ability to break into one computer in a banking or credit network, a merchant's accounts or nearly any other business that regularly records and stores your credit information.

Other identity thieves take a less direct route with a tactic called phishing. In one classic credit card phishing scheme, phishers send out emails and contacts purporting to be from a bank, finance company or other online service. They usually tell you that there was a problem with your account and ask you to click on a link in an email and re-enter your account information to verify it. When you do, you're actually directed to a bogus page where you nicely supply the thieves with all the information that they need to convincingly pretend to be you.

Once they have that information, though, the phishers don't use the credit card information that you provided to use your current credit cards. Instead, they use that information to apply for and establish credit card accounts in your name. Because they'll usually use a phony address and telephone number - using your information to change your address when necessary - the first time you realise that you've been phished may be when you apply for a cashback credit card of your own. That's when you learn that you have at least one account that you never applied for. Once phishers have your identifying information, they can open bank accounts using your name, establish loans using your name and even sell your house without you even knowing that it's on the market. In short, once phishers have what they need to pass themselves off as you, they can run you thousands of pounds into debt and totally ruin your credit - and if they're really clever, you won't even know it's done.

Five Ways To Avoid Identity Theft and Credit Card Fraud

When making purchases use a Chip and PIN card - and never give your PIN number to anyone. It's the best credit card solution to avoid credit card fraud with your existing credit. Never use the link in an email to go to your financial institution's web site. Open a new browser window and type the URL into the address bar. Only buy online from reputable dealers that you trust. The best credit card to use for online purchases is a stored value credit card. It won't give out any information about you at all. If you believe that you were a victim of identity theft, report it immediately. The sooner you take steps to clear it up, the less damage it will do.

When you want to apply for a cashback credit card or any other credit card, it pays to compare at moneyeverything.com. You can be sure that your information is safe when you compare and apply at moneyeverything.com, and that you'll find the best deals available for your personal or business use.

Jon Francis has been involved in various areas with the world of finance and has a keen eye for a bargain! He has an in-depth knowledge of the credit card UK market and now helps others get the best from a credit card. For more information visit "<http://www.moneyeverything.com>".