



The following information is provided as a service of the Human Services Division.

Financial, Banking and Credit Resources

Banking

What is a Bank?

A bank is a financial institution that offers you a safe place to keep your money. The United States government protects the money you deposit in a bank in the United States.

Why use a bank?

1. **It is easy.** Pay bills, keep track of your money, and cash checks.
2. **It is safe.** Money kept safe from fire, theft, and loss.
3. **It saves you money.** Using a bank is cheaper than using a check-cashing store.
4. **It helps you build a better future.** You will need a bank to get a loan. You can earn **interest** on the money you keep in a bank.

What do you need to get a bank account?

- Identification such as driver's license or social security card. Your resettlement agency may have made special arrangements to use other forms of I.D. at a local bank.
- Personal information such as date of birth, home address, and telephone number
- Money to deposit (your bank may require a minimum deposit)

Important Things to Know

Ask the following questions when deciding on a bank:

1. Is the bank insured?
2. Do they offer **free** checking/savings accounts?
3. Do I need a minimum deposit to open an account?
4. Do I need to maintain a minimum balance?
5. Do they speak other languages at the bank besides English?
6. Can I send money back home through this bank? If yes, how much does it cost?
7. What are the service and penalty fees?

Ask as many questions as you want. If they do not answer your questions, select another bank!

Source: United States Committee for Refugees and Immigrants, USCRI Financial Literacy Program for Refugees and Immigrants (2007, October). *Banking on the Future Curriculum*. Retrieved October 2007, from www.refugees.org/article.aspx?id=1194

Credit

What is Credit? Credit is the sum of money someone loans to another person expecting that the money will be repaid with interest.

Credit Score is a number used by credit reporting agencies to represent your credit history. Your history of how you pay your bills creates your credit score.

- It is important to have a good credit score so you can buy a house or car in the future.
- When you apply for a loan or credit card, creditors will request a copy of your credit report, which includes your credit score.

Important Things to Know

- Do not apply for every credit card application you receive. This will have a negative impact on your credit score.
- Keep credit card balances low. High balances will have a negative impact on your credit score.

Where to request your free credit report

You can order your report from the following credit reporting agencies:

- **Equifax**
PO Box 105873
Atlanta, GA 393348
1-800-685-1111
www.equifax.com
- **Experian**
PO Box 2002
Allen, TX 75013
Consumer Credit Questions
888-EXPERIAN (1-888-397-3742)
www.experian.com
- **TransUnion**
PO Box 2000
Chester, PA 19022
1-800-888-4213
www.transunion.com

Credit Card

Do you have to be a legal United States resident or have a Green Card to get a credit card?

You do not have to be a United States citizen or a Green Card holder to get an American credit card. However, it is necessary to obtain a Social Security Number in order to begin build your credit history. If a person is legally in the United States on an F-1, H-1B, H-2B, J-1, B-2 visa (among others types of visas), the person may apply for a Social Security Number and consequently begin building credit history

Source: For a fee, United States Immigration Support, An Independent Organization, not a U.S. Government Agency (2007, October). *United States Credit Card and Credit History*. Retrieved October 2007, www.usimmigrationsupport.org/creditcard.html

Loan

Do you have to be a legal United States resident or have a Green Card to buy a home?

Mortgage companies do not require buyers to have a social security number to purchase a home in the United States. Immigrants wanting to buy a home need to have a special tax ID referred to as the ITIN. The ITIN or individual tax identification number is proof that an individual pays taxes to the IRS or Internal Revenue Service. The IRS began issuing ITINs in the mid 1990s for individuals who were not eligible to obtain a Social Security number but that needed to declare their income and pay taxes. Obtaining an ITIN, a nine-digit number for tax purposes, is a relatively easy process since legal residency in the Unites States is not a requirement. A large number of illegal immigrants seeking to become permanent residents obtain ITINs in order to show the USCIS in the future that they have been paying taxes while residing in the United States.

Source: United States Immigration Support, An Independent Organization, not a U.S. Government Agency (2007, October) *Illegal immigrants buy real estate and get mortgages with ITIN*. Retrieved October 2007, from www.usimmigrationsupport.org/immigrants_realestate_itin.html