**3 things you should do if you have no credit history**

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[**Alexandria White**](https://www.cnbc.com/alexandria-white/)

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You may have heard the saying, ‘to get credit, you need to have credit’ — which can be pretty frustrating as a credit newbie.

Most milestones in life, such as buying a house or leasing a car, require a credit history, but if your [credit score](https://www.cnbc.com/select/what-is-a-credit-score-and-how-to-check-yours-for-free/) is low (or nonexistent), you will likely find it hard to get approved. The majority of credit cards also require some sort of credit history in order to qualify, with only a handful of cards made for [people with no credit](https://www.cnbc.com/select/the-best-credit-cards-for-building-credit/).

There are ways to build credit even if you’re just getting started. Below, [CNBC Select](https://www.cnbc.com/select/) reviews three things you should do if you have no credit history and want to start [building credit](https://www.cnbc.com/select/easy-tips-to-help-raise-your-credit-score/).

**1. Become an authorized user**

One of the simplest ways to build credit is by becoming an authorized user on a family member or friend’s credit card. As an authorized user, you can piggyback off the primary account holder’s credit and as a result, establish your own credit history. Authorized users also have zero liability, so this is a low-risk way to build credit.

But before you become an authorized user, make sure your family member or friend has good credit and uses their credit card responsibly . You don’t want to become an authorized user on an account that has debt or late payment history, since those negative actions will appear on your credit history and counteract any credit building you plan on achieving.

Also, make sure you practice responsible behavior as well. You’ll want to make a clear plan for how you’ll pay back any purchases you make with the card, so you don’t risk wracking up debt on someone else’s card.

**2. Apply for a secured credit card**

[Secured credit cards](https://www.cnbc.com/select/how-secured-cards-work/) are a great way to build credit if you have none. These cards are typically easier to qualify for if your credit history is poor or non-existent. And you can use a secured card just like a traditional (aka unsecured) credit card to help you establish good credit, as long as you practice responsible credit behavior.

A secured card is nearly identical to an unsecured card in that you receive a credit limit, can incur interest charges and may even earn rewards. The main difference is you’re required to make a security deposit in order to receive a line of credit. The amount you deposit typically starts at $200 (though it can start as low as $49) and often becomes your credit limit. So if you make a $200 security deposit, you’ll receive a $200 credit limit.

The [Discover it® Secured](https://oc.brcclx.com/t/?lid=26664506&cr=18921&last_updated=1454968478) card tops our list for the [best secured credit cards](https://www.cnbc.com/select/best-secured-cards/) by offering cardholders cash back, a generous welcome bonus and no added fees on purchases outside the U.S. — all for [no annual fee](https://www.cnbc.com/select/best-no-annual-fee-credit-cards/).

**3. Get credit for paying monthly utility and cell phone bills on time**

If you don’t want to use a credit card to build credit, there are some alternatives. A number of financial institutions offer credit building tools, but they may charge a monthly fee. However, Experian provides a free and easy to use tool: [Experian Boost](https://www.experian.com/consumer-products/score-boost.html). This tool counts positive payment of utility and cell phone bills in your credit file, which allows you to build credit.

Simply connect the bank account(s) you use to pay your utility and cell phone bills, verify the data and confirm you want it added to your Experian credit file. You’ll get an updated FICO Score instantly and also receive a free copy of your Experian credit report.

Once you establish credit, you can check out CNBC Select’s list of the [best credit cards of 2019](https://www.cnbc.com/select/best-credit-cards/).