

Title:

Are Non-Profit Credit Counseling Agencies a Better Bet for Consumers?

Word Count:

368

Summary:

In the world of credit counseling, non-profit agencies enjoy special benefits because of their status and have a better reputation among both creditors and debtors. Before enrolling in a credit-counseling program, be sure to research carefully the agency you have chosen. Agencies accredited to by the National Foundation for Credit Counseling or the Association of Independent Consumer Credit Counseling Agencies offer reputable services to their clients. Solid, reputable counseling agencies are invaluable resources for consumers who need help managing and paying down their debt.

Keywords:

credit counseling, credit cards, consumer credit counseling, debt relief, credit counseling agencies

Article Body:

Non-profit credit counseling agencies enjoy special benefits because of their status. There is a tax advantage; non-profits enjoy tax exemptions on both a state and federal level. Non-profit agencies are also eligible for both public and private grants to support their mission.

Non-profit agencies have a better reputation among both creditors and debtors. In order to initiate Fair Share contributions, non-profit status is mandatory. Some states even allow non-profit agencies greater freedom from consumer protection laws. Debtors feel more comfortable dealing with a non-profit agency than one with a more commercial focus.

Most major credit counseling agencies flaunt their status as non-profits, but some fail to live up to that promise. Some unscrupulous agencies are using their non-profit status to lure in unsuspecting clients and to fleece them. Debtors need to look beyond the non-profit label and investigate the agency before enrolling in a credit repair program.

Some consumer credit counseling agencies are truly in it to help people get back on the road to financial well-being. Agencies accredited by the National Foundation for Credit Counseling or the Association of Independent Consumer

Credit Counseling Agencies offer reputable services to their clients. Such agencies will not make false claims about fixing credit histories or credit scores; they will paint a realistic picture of your situation and tailor their actions to meet your needs.

Before enrolling in a credit counseling program, you should research the agency carefully. Check with the Better Business Bureau to see if the agency has a history of complaints. Visit online forums to read reviews from former clients. Make sure that the agency is reputable and reliable before granting access to your financial information.

Solid, reputable credit counseling agencies are an invaluable resource for debtors who have reached the end of their financial rope. A good credit counselor will work with you to create a personalized budget and debt management plan, while working with your creditors to reduce monthly payments. Lowering interest rates and erasing finance charges and late payment penalties are another way a reliable counselor can help you. A counselor's ability to eliminate phone calls and dunning letters from creditors is enough to make most consumers glad they chose to enter credit counseling.