

Title:

Top Five Reasons to Establish Business Credit!

Word Count:

490

Summary:

Corporate Credit Concepts helps business owner build and establish business credit by seperating their personal credit from there business credit.

Keywords:

business credit, corporate credit, unsecured business line of credit

Article Body:

Too Many business owners are using their personal credit to finance the launch, expansion or growth of their business. A majority of business owners have no idea what business is or how to establish it. By following a few simple steps any business owner can establishing business credit, therefore, separating their personal credit from their business credit.

When business owners use personal credit card to pay for business expenses, the debt of the business reports back to their personal credit reports which lowers their scores because their business debts hurt their personal debt to income ratio.

To help prevent business owners from damaging their personal credit, every business owner should follow the simple steps of establishing business credit. By establishing business credit the debt of the business will report to the business credit file and not the personal credit file. Establishing business credit will also help the business build a strong business credit file so loans, lines of credit wont require the business owner to sign a personal guarantee.

Here are just a few reasons why every business owner should establish business credit.

1. Establish creditability. You cant expect to walk into a bank and ask for a business loan with no business credit or business history. By establishing a good business credit profile you will be able to secure the financing your business needs.

2. If your business should fail, you would still be legally responsible if you

used your personal credit to finance your business

3. Saving money. Thats right, business credit rates are typically lower than personal credit rates. A few percentage points in interest mean thousands of dollars in the long run

4. Float your business through tough times. Even though everything make be going great currently, you never know when your company will take a turn for the worse or when economic times might change. By establishing business credit you will be prepared for the down time.

5. Get the money you need. Lets face it, without the money you need to finance the launch or expansion of your business you really wont be in business at all. Dont make the mistake of using your personal finances to finance you business.

The are many, many more reasons why you should establish business credit. We have all heard the saying, "keep business expenses separate from personal expenses," right? The only way to do that is to set up your business properly in the first place by establishing business credit.

If you are interested in learning...

-What rights does a business owner have if there is incorrect information on a credit report?

-How do I obtain a business credit score?

-What do business lenders look at in order to extend business credit?

-Where do you find companies that grant credit?

-Which companies report to the business credit bureaus?

-What credit cards companies do not require personal guarantees?

Then I suggest you start the education process of learing how to establish business credit!