

# How many credit cards should you have?

Virginia C. McGuire, NerdWallet 9 a.m. EST December 5, 2016



The No. 4 Washington Huskies took advantage of several critical Colorado interceptions to pull away in the second half of the Pac-12 championship game, likely securing a playoff spot in the process. Time Sports



(Photo: iStockphoto)

For many people, carrying a cornucopia of credit cards — everything from cash-back cards to airline cards to store cards — is a daily habit. Is there a reason to have so many different accounts?

Using multiple credit cards can help you maximize rewards and maintain a healthy credit profile — assuming you use them responsibly. To decide when enough is enough, start by looking at how and where you spend money.

### **Different cards, different rewards**

Some people find it a nuisance to use multiple cards. Colin Weir, a network engineer in Philadelphia, prefers to use just one card at a time. “I try to keep it very simple,” he says.

But if you’re willing to use a different card depending on what you’re buying, you can reap higher rewards. Soraya Kohanzadeh, a teacher in San Diego, regularly uses three [rewards credit cards](#).

“I try to maximize the cash back I receive,” Kohanzadeh says. She uses one card for groceries, another for gas, restaurants and travel, and, for everything else, a [card with a flat 2% rewards rate](#) on all purchases.

### **His-and-hers credit cards**

Couples sometimes find it helpful to keep separate credit cards. For Katrina Gates of Portland, Ore., having her own credit card makes her feel independent, even though her husband is the only one pulling a paycheck right now. “You could say I’m a stay-at-home mom,” Gates says. “But I prefer kid-wrangler.”

Gates shares an airline credit card, a MasterCard, with her husband. She uses that card for household expenses like groceries and filling the gas tank.

When she buys fun things just for herself, though, Gates uses her own credit card. Because her personal Visa is accepted in some places that the shared MasterCard is not, the line between the two cards gets blurry.

“When I go to Costco now, I need to use a Visa,” she says. “But buying string cheese is not personal fun.”

Even though Gates uses just two cards regularly, she does have a couple of older accounts that she keeps open to help her credit score.

“We have stellar, stellar credit as a couple,” she says.

### **The care and feeding of your credit profile**

Tracy Becker is president of North Shore Advisory, which provides credit-building and monitoring services in Elmsford, N.Y. She advises most clients to build what she calls a “healthy credit portfolio,” which includes multiple credit cards and other types of loans.

“I would say five credit cards is a good number,” Becker says. “If the cards are going to benefit you and you know how to manage them, then that’s a good thing for you.”

Multiple cards can be good for your credit for several reasons:

1. Having several credit card accounts in good standing shows prospective lenders that you are skilled at managing credit.
2. The average age of your accounts affects your credit score, so keeping older credit card accounts open, even if you don’t use them very often, is great for your score.
3. Credit scores factor in the difference between your available credit and the amount you owe across all your cards. More cards usually mean more available credit.

### **Self-knowledge is power**

Ultimately, the right number of credit cards for you depends on your spending habits, your record-keeping abilities and your personal needs.

Most people need only two or three credit cards in active use. Having more than one means you have a backup if there’s a problem with one of your accounts. And having only two or three means you can still reasonably keep track of your spending and avoid making late payments on the bills — something that can be disastrous for your credit score.

Three cards is also just right for people who want to maximize rewards without turning credit card hacking into a major hobby. For example, you might follow Kohanzadeh’s lead, and carry cards that pay higher rewards on things you buy frequently, like groceries or restaurant meals. Add in a card with a flat rewards rate that you use for most purchases, and perhaps a [store credit card](#) if you shop there frequently.

The last word on this subject is one of caution: If you’ve had trouble with overspending in the past, or the idea of managing multiple accounts every month stresses you out, you may be better off with fewer credit cards, or even none at all.

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