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Fed rule limits credit cards for stay-at-home parents

Household income can no longer be considered, regulator says

By **Martin Merzer**

Previously, an individual member of a household could qualify for a credit card account by pointing to the combined income of several members of that household. For instance, in the case of a married couple, a stay-at-home wife without any independent income could qualify for and obtain a credit card under only her own name -- and establish her own credit history -- by pointing to the salary of her husband.

That no longer will be the case. Now, she must prove that she can make the payments with only her own resources, a nearly impossible hurdle for many homemakers to overcome.

"They're going to be stuck, really stuck," said Barbara Shapiro, a Boston-area registered investment adviser, vice president of the HMS Financial Group and a certified divorce financial analyst. "It makes these people completely unable to buy an airline ticket, rent a car or do anything that requires a credit card."

"We're becoming a cashless society," Shapiro said. "What are these people supposed to do?"



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