



The Debit and Credit Comparison

While debit and credit cards look alike, the two are very different from one another. To clear things up, here are the details:

Debit Cards

- ✔ Available to virtually all checking account holders, as well as many share draft, savings and other accounts.
- ✔ Draw money directly from your checking account, helping you keep track of your daily spending.
- ✔ No additional processing or future bill payments are required on your part, which means no interest payments.
- ✔ Offers two forms of security options: PIN-based and/or signature-based transactions.
- ✔ Debit cards are covered under the Electronic Fund Transfer Act, also known as "Regulation E."
- ✔ More and more financial institutions are offering rewards for using your debit card.

Credit Cards

- ✔ Adults 18 years or older can build their credit by using a credit card.
- ✔ Purchases are charged against a pre-approved line of credit.
- ✔ Allows you the flexibility to make monthly payments for purchases over an extended time period.
- ✔ Signature is the only authorization option in the U.S. for credit cards. It's how the cardholder authorizes the transaction.
- ✔ Credit cards are covered under the Truth in Lending Act.
- ✔ Many credit card companies offer you rewards for making purchases with your card.