Using Debit Cards

A debit card lets you pay with money that's in your checking account. Debit cards aren't the same as credit cards. Here's how to know the difference.

What's the difference between a debit card and a credit card?

When you open a checking account at a bank or credit union, you usually get a debit card.

Read more about **Opening a Bank Account** at **consumer.gov/yourmoney**.

Debit cards look like credit cards, but they use money you already have. Credit cards use money you borrow.

With debit cards:

- You don't get a bill every month. Money comes out of your checking account right away.
- You don't pay extra money in interest.
- You don't build a credit history.

With credit cards:

- You get a bill every month.
- You might pay extra money in interest if you don't pay the whole bill every month.
- You can build a credit history if you pay your bill on time. It helps even more if you can pay the whole bill each month when it's due.

Prepaid cards are a different kind of debit card. You buy a prepaid card and load money on it to spend. Many have extremely high fees.

When would I use a debit card?

Debit cards help you:

- buy things without using a check or cash
- get cash back when you buy something at a store
- get cash at an ATM

Some debit cards are free to use, but some have fees.

What if I use all the money in my checking account?

Your debit card will be declined if your account doesn't have enough money. You won't be able to buy things.

Some banks and credit unions have overdraft protection. This lets you use your debit card even when there's not enough money in your account. But you might have to pay an overdraft fee and interest.

How can I keep my debit card safe?

- **Keep your debit card and PIN private.** A PIN is a security code that you type in when you use a debit card. Never share your PIN or card numbers.
- **If you lose your debit card, let your bank or credit union know right away.** Ask them to cancel the card and send a new card.
- **Ask your bank or credit union for account alerts by email or text.** These remind you of how much money is in your account.

Your debit card use will show up on the statement you get every month from your bank or credit union. If you see a charge on your statement that you didn't make, tell your bank or credit union right away. If you wait, you might not get your money back.

If You Were Scammed

Here's what to do if you think you sent money to a scammer or gave a scammer your personal information. The quicker you act the better.

If I sent money to a scammer, what should I do?

Scammers can be very convincing. They call, email, and text you trying to get money or personal information — like your Social Security or account numbers. And they're good at what they do.

If you paid or sent money to someone you think is a scammer, you might not get it back. But it's always worth asking the company you used to send the money if there's a way to get it back.

Try to cancel or reverse the transaction as soon as you can.

1. Contact whoever you used to send money, for example:
   - your credit card company or bank
   - the money transfer company (like Western Union or MoneyGram)
   - the gift card company
   - the cryptocurrency company
   - the post office
2. Tell them it was a scam
3. Ask them to give your money back

If you gave cash or gold to someone, call the police.

If I gave my personal information to a scammer, what should I do?

If you gave a scammer your Social Security number, go to **IdentityTheft.gov** and report it. Answer the questions on the website. When you finish, the site will give you advice about what to do next.

If you gave a scammer your username and password, log into your account right away and create a new password. If you use the same password anywhere else, change it there, too.

How do I report a scammer?

Tell the Federal Trade Commission:

- Go online at **ReportFraud.ftc.gov**
- Call **1-877-382-4357**

How I'll Avoid a Scam

My Action Plan

Use this action plan to help protect yourself from scams. Know what to do if you get an unexpected call, text, email, or social media message asking for money or personal information.

Know the signs of a scam

- **Scammers contact you and say there's a problem.** They might lie and say you owe the government money. Or pretend to be your bank and say your account's been hacked.
- **Scammers tell you to hurry.** They don't want you to have time to think.
- **Scammers tell you how to pay** — often only with a gift card, wire transfer, cryptocurrency, or a payment app. Once you pay these ways, it's hard to get your money back.

If you feel pressured, **pause**. Talk with **someone you trust** before you act.

Contact information for people I trust

List only people you know in person — like family members, friends, or neighbors. Let them know they're a trusted person and that you might call them if you suspect a scam.

Name	Phone number

Contact information for companies I do business with

List credit card companies, banks, online shopping sites, and utilities. Only use contact information you know is real — like from your account page, bills, receipts, or the back of your cards. That way you'll know how to reach the business if you're worried there's a problem with your account.

Business name	Phone number	Website

Report scams

Did you see or experience a scam? Tell the FTC at **ReportFraud.ftc.gov**.

With thanks to Cuyahoga County Department of Consumer Affairs