

## **THE BEST WAY TO AVOID CREDIT CARD FEES AND**

**CHARGES** is to adhere to the terms and conditions as stipulated in the yearly card member agreement. If you're applying for a new credit card carefully review the terms of the card before you decide to apply.



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## **TOP TEN TIPS**

**ON BANKING CREDIT CARD  
FEES THAT CAN EAT UP  
YOUR CASH**



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## TOP TEN TIPS ON BANKING CREDIT CARD FEES THAT CAN EAT UP YOUR CASH

Credit cards aren't free. They come with a price that can be quite costly when you use them.

### 1. ANNUAL FEES

Find a card that doesn't charge you to use it. Some credit cards have annual fees that run from \$25 to \$300 per year because they offer perks like cash rewards, airline miles or points towards purchases.

### 2. CASH ADVANCE CHARGES

Many credit card companies are charging a transaction fee each time you take a cash advance on your card. In addition, the interest rate levied on your cash advance usually comes at a higher interest rate than your credit card balance from purchases.

### 3. LATE FEES

It's important to make monthly payments on time, otherwise late payment fees could run as high as \$39.

### 4. HIGHER FINANCE CHARGES

Paying only the minimum balance results in more finance charges. In addition, it will take you longer to pay off your account balance.

### 5. BALANCE TRANSFER FEES

You may be enticed to transfer the balance from your old credit card to a new credit card that offers a lower interest rate. The balance transfer will come with a fee that can run anywhere from 1-3 % of the balance you transfer.

### 6. FOREIGN TRANSACTION FEES

If you use your credit card for purchases outside the U.S. or buy from a foreign based online retailer, you may be charged with a foreign transaction fee of 1-3% of the purchase amount.

### 7. CREDIT CARD SWIPE FEES

A swipe fee is the cost retailers pay every time you use your credit card. This could cost you an additional 1.5% - 4% on your credit card purchase.

### 8. INTRODUCTORY RATES

Many cards offer low introductory interest rates. After the introductory period, your interest rate could go up significantly.

### 9. OVER-THE-LIMIT-FEE

This fee is charged by the credit card company if the outstanding balance on your credit card exceeds the credit limit.

### 10. WATCH OUT FOR THE UNIVERSAL DEFAULT CLAUSE

If you have a credit card with a universal default clause, the credit card issuer can raise interest rates if your credit score changes, if you take too much debt, or if you're late in paying another creditor.