



WORKSHEET: CREDIT CARDS VS. DEBIT CARDS

Credit and debit, pros and cons

Review the statements below. If it applies to credit cards or debit cards, put a check mark in the column. (Hint: Some statements will apply to both!) Think about each statement and decide whether it describes a pro, or benefit, to using that card, or if it describes con, or cost.

STATEMENT	CREDIT CARD	DEBIT CARD	PRO OR CON
Money is borrowed and repaid later			NEUTRAL
Money is taken out of a bank account			NEUTRAL
Great for emergencies when you don't have enough money in your bank account (but you can pay it off ASAP)			
Card declined if not enough money in account.			
You might pay interest.			
Can use an ATM to get cash from your bank account			
Convenient			
Late fees			
You pay no interest			
Replaces cash			
Affects credit score			
Has fraud protection			



ANSWERS: CREDIT CARDS VS. DEBIT CARDS

Can lead to debt			
STATEMENT	CREDIT CARD	DEBIT CARD	PRO OR CON
Acts like a loan. Money is borrowed and repaid later.	X		NEUTRAL
Money is taken out of a bank account.		X	NEUTRAL
Great for emergencies when you don't have enough money in your bank account (but you can pay it off ASAP)	X		PRO
Card is declined if there's not enough money in the account.		X	CON
You might pay interest.	X		CON
Can use an ATM to get cash from your bank account.		X	PRO
Convenient	X	X	PRO
Has late fees	X		CON
You pay no interest.		X	PRO
Replaces cash	X	X	PRO
Affects credit score	X		PRO
Has fraud protection	X	X	PRO
Can lead to debt	X		CON



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