

# 6 Ways to Avoid Paying Banking Fees

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How much did you spend on banking fees this year? Surely, you have better things to spend your money on. Luckily, there are ways to avoid these fees!

### Follow these tips:

- 1. Understand the fees charged by your bank.** Some banks make understanding their fees more difficult because *a charge can appear on your account without any details*. You can find out more about these fees by reading the documentation you received when opening your account, calling your banker, or checking your bank's official website.
- 2. Discover how you can qualify for a free checking account.** Most banks offer free checking accounts as long as you maintain a minimum monthly balance or receive more than a certain amount via direct deposit. Find out about these requirements and look for an account that requires a minimum direct deposit that corresponds to your paycheck.
- 3. Take advantage of bank promotions.** Some of these promotions help you avoid some fees. For example:
  - Some banks will give you \$100 or \$200 if you open an account and meet a few requirements, such as receiving a paycheck via direct deposit or depositing a certain amount. This promotional offer will cover all your fees for a year or two.
  - If you are enrolled in college, most banks will offer you a free checking account. Bring your school ID when you open your account to qualify for these offers.

4. **Watch for ATM fees.** Fees are charged every time you withdraw money from an ATM that belongs to another bank. ***Use these methods to avoid ATM fees:***

- Always carry \$20 - \$60 in cash with you to avoid having to use an ATM.
- Plan your purchases in advance and drive to your bank's ATM once a week to withdraw all the cash you'll need.
- Install an app on your Smartphone to easily locate the nearest ATM that belongs to your bank.

5. **Spend only the funds in your available balance.** ***Bounced check and overdraft fees are usually the highest bank fees you pay.***

- **Stop using checks.** Checks can make it difficult to manage your budget because they can take days to process. Most places offer other payment options. Besides, you will no longer have to purchase checks when you run out.
- **Get into the habit of checking your balance on a daily basis.** This is very easy to do, thanks to mobile apps and online banking options.
- **Enroll in your bank's overdraft protection plan if they offer this service for free.** Keep in mind that some banks will charge a fee every time you use this service, which can end up being costly.

6. **Be careful with automated payments.** Although automated payments are convenient for paying your bills and avoiding late fees, they might not be your best option. They can drain your account without you being aware of it. It's very easy to set up automated recurring payments for your bills and then forget when the payments are coming out of your account.

- Your best option is to set up reminders on your phone to ensure you don't

forget any bills and to make payments manually by logging in to online banking.

***Avoiding banking fees is fairly easy, but it does require you to be more aware of what is going on with your bank account.***

Using the same bank for all your accounts and credit cards will make it easier to check all your financial information because it's all in one place. Familiarize yourself with the mobile and online banking tools offered by your bank. These tools will make managing your finances and avoiding fees a lot easier.