

All You Need to Know About Business Credit Cards

Contributed by Webmaster

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The use of a business credit card is a great convenience. It has proven to be an excellent way to keep a close eye on our expenditures. If you own a business credit card, you will probably become your accountants favorite person. The accountants workload will be considerably lightened and he will have to do a lot less cash transactions when preparing tax paperwork for you.

However, no matter the reason you use or choose to have a business credit card, there are still many things that you need to know about these cards. For example, the annual fee for a business credit card is generally higher than one of a credit card that is personal.

You can easily find yourself paying up to \$150 per annum for cards, and this is with extras. If you just need a credit card to make simple purchases, you should pick a card that has an introductory interest free period.

This means that you wont pay any interest for a certain time period. This period varies from a month to twelve months. This is great news for businesses, especially those new ones who have had set up expenses. These can be incurred and a card could be looked at as an interest free loan.

When you have a payment due, your statement will show it. This date is the last day that your money can be received by the credit card company. Cards like American Express require that you pay the entire balance every month. Make sure that you take a close look at the terms of any credit card before you sign up for it. If you run over the limit of your card, the company wont hesitate a second to apply a late fee to your already existing balance. If you dont have an interest free or fixed rate card, youll probably be penalized for the late payment by an increased APR also.

The Annual Percentage Rate (APR) is the amount of interest you have to pay on the outstanding balance on the credit card. Because of this, it can be much better to have a fixed rate card instead of a variable one because with a fixed rate, the company isnt able to have the option to up your interest rate for a late payment. This way, you can keep a watchful eye on your budget. There should be nothing stopping you from looking around for a new interest free or low rate introductory offer credit card if you find that the interest rates you pay now are unbelievably high. Often, you can transfer balances on cards. This is an incentive by companies for you to take out a new card. This can save you a lot of money over time.

If you need cash to help out your business, you will find that some credit cards give you benefits of immediate cash advances. However, interest rates on cash advances are usually higher than the purchase itself, so only use cash advances if you are in a dire need situation.

There will probably come a time when you come to face a problem about a business credit card and you need information, quickly. You will need to know that you are able to contact your credit card company right away. Many companies offer a website with a frequently asked questions page. This is a great place to start because more than likely someone else has faced an issue similar to yours. Most companies will also offer you the ability to talk with a customer service operator online or over the phone. You can test both methods out and see what kind of response you get before you commit to a certain card.

Be smart when you apply for a business credit card. If you are an owner of a small business, you probably dont need a credit card. As the credit builds under your social security number, you will have to make sure that you can manage the debt you accumulate effectively.

About the Author (text) Nick Makaryk is an Internet Publisher, Copywriter, and Founder of <http://www.CreditCardCredit.net>. A Free consumer credit card comparison site helps consumers find the best credit cards. while avoiding high interest rates, charges, and fees. Visit our website <http://www.CreditCardCredit.net>

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