



## RETAIL CREDIT CARDS (AND WHY THERE ARE BETTER CHOICES)



A **RETAIL STORE CREDIT CARD** offers a chance to receive perks at specific retail locations. Perks could include exclusive offers, discounts, rewards and access to special financing. Terms apply.

### What Are the Drawbacks to Store Credit Cards?

Along with perks, most Store Cards come with limitations, as well.

- **Limited rewards redemption options:** Although rewards earning rates can be appealing, pay attention to redemption rules. Store Cards might restrict you to redeeming rewards with particular retailers.
- **Lower credit limits:** Because Store Credit Cards encourage loyalty, they're inclined to make card approval easier. They also typically don't extend Credit Lines as large as those available with other types of Credit Cards.
- **Potentially high APR:** With typically lower Credit standards, retail Store Credit Cards usually have higher interest rates than other types of cards. If you carry a balance on a Store Card, the interest you pay will likely exceed any discount or deals you received from the retailer for using their card.
- **Fewer cardholder benefits:** Regular rewards Credit Cards may come with cardholder benefits such as extended warranty coverage, purchase protection or an auto rental collision damage waiver. Benefits like these are available with some Store Credit Cards, however, they are less common.

If you decide to get a **RETAIL CREDIT CARD**, make a plan to maximize its value. Be sure to read the fine print before applying, and manage your Credit Card responsibly to avoid fees and interest that can erode your card's value.

### Best Retail Store Credit Cards

#### Costco Anywhere Visa® Card by Citi

**Best Feature:** Costco rewards.

**Credit Needed:** 740-850

**Annual Fee:** \$0

**APR:** 20.49% (Variable)

#### Amazon Rewards Visa Signature Card.

**Best Feature:** Amazon rewards.

**Credit Needed:** 670-850

**Annual Fee:** \$0

**APR:** 18.99% - 26.99%

#### My Best Buy Visa® Card

**Best Feature:** Best Buy rewards

**Annual Fee:** \$0

**APR:** 30.99% Variable

#### Macy's American Express® Card

**Best Feature:** Macy's rewards

**Annual Fee:** \$0

**APR:** 27.49% Variable

