

BETTER MONEY HABITS MIDDLE SCHOOL LESSON: CREDIT AND DEBIT: TWO VERY DIFFERENT CARDS

HANDOUT 5.1

Venn Diagram: Costs and Benefits of Debit and Credit Cards

PART A

Read the following statements about debit and credit cards. Based on what you learned in the video, decide if the statement applies to a debit card, to a credit card, or to both cards. Put an X in the appropriate column. Then decide if the statement is a cost (disadvantage) or a benefit (advantage) when using that card. Use a (-) for costs and a (+) for benefits.

Statement	Debit Card	Credit Card	Both	Cost/ Benefit
Money is borrowed and repaid at a later date.				NA
Money is automatically taken out of a checking or savings account.				NA
Great for emergency situations.				
Card declined if not enough money in account.				
Has extra perks.				
May pay interest.				
May receive cash from ATM.				
Convenient.				
Secure.				
May pay late fees.				
No interest.				
Replaces cash.				
Affects credit score.				
Has fraud protection.				
May cause unnecessary debt.				

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PART B

Making a Venn Diagram

After completing the table in Part A, use that information to create a Venn Diagram below. If the statement describes a credit card, write the statement in the left circle. If the statement describes a debit card, write the statement in the right circle. If the statement describes both a debit card and credit card, write the statement in the overlap between the two circles. If the statement is a benefit, draw a line under the statement. If the statement is a cost, circle the statement.

Credit Card

Debit Card



