

Can You Use a Debit Card with No Money in Your Account?

Reading Time: 3 minutes

What happens if you try to use a debit card with no money in your account? It may leave you in a sticky situation because your card will most likely decline.

No, in most cases, you cannot use a debit card if there's no money in your checking account, but there are some exceptions.

The problem is that a debit card is not a credit card. This article explains what happens when there is no money in your account and you swipe your debit card.

What Is a Debit Card?

A debit card is a card that the bank issues to you after you open and fund a checking account with them. It looks similar to a credit card but the functionality is different since it's attached to a checking account instead of a line of credit.

If there is no cash in the account attached to the debit card, you can't use it, and the transaction will be declined. That means you will need either an overdraft facility on your checking account, spare cash in your pocket, or a credit card to pay.

A debit card is tied directly to your checking account, so it would be impossible to purchase something if you have no money in it. If you attempt to buy an item with an unfunded card, you may be charged bank fees for inadequate funds.

What is a way around this? Getting a credit card, but that's a financial decision that you need to consider wholly.

What Is a Credit Card?

A credit card lets you borrow money from the bank against a line of credit. Your credit card limits are typically set when you sign up for the card and can be increased as you build a better relationship with your bank.

It's good to note that you are charged interest on your purchases but won't be charged interest on the total amount if you don't carry your balance over from month to month. Your payment history and credit card balance can affect your credit score, so be aware of that when dealing with this account.

Another thing to note about credit cards is that they have high-interest rates that can build up very quickly if you are not diligent.

What If Your Debit Card Has No Money and the Transaction Goes Through?

If you have made a payment with your debit card with no cash in your account and the sale goes through, one of two things can happen.

