

Cash Advance - a Privilege or a Trap Credit Card Deal?

Nowadays, banks and credit card companies offer a lot of cash advance credit card deals to their customers. Using your credit cards you can easily get cash from any ATM. This service seems to be very tempting as there are cases when you need cash badly. Though you may think that cash advance is the same process as making purchases, it's not the same at all. The conditions under which you can take cash advances are absolutely different and moreover disadvantageous! So, if you decide to withdraw cash from your credit card, get informed of all the rules. Weigh all pros and cons before doing this!

Keep in mind that even if you have a low rate credit card, cash advance rate will be incomparably higher than your usual rate. As a rule, cash advance interest rate is about 25% though every credit issuer fixes its own rate. Besides, you will also be charged a cash advance fee regardless of the sum you take. In other words, with Visa, MasterCard or American Express summer credit cards you will pay for the privilege no matter what amount of money you get. Unfortunately, that's not the end. You will as well be charged a fee that will go to the ATM owner for giving you the chance to get cash from it.

It seems not at all tempting now but the disadvantages of cash advance credit card deals are not limited by that. The majority of credit card companies do not admit a grace period so your debt will increase by leaps and bounds as soon as you get cash from an ATM.

It's important to mention that some credit card users might not be aware of the fact that they use cash advance. If you have ever received credit card checks by mail, you understand how difficult it is to resist the temptation to get a good sum of cash. As a matter of fact it's your credit card company that offers such checks as cash advance meaning that you will have to pay a lot for that.

There are some customers who made use of these checks and they turned out to be extremely expensive for them. Most people fall for such a trick because of lack or absence of information. Credit companies prefer to keep customers ignorant of this to gain more profit. So, if you get attractive offers from your credit issuer, think twice before using them!

So, it's evident that cash advance is not at all that beneficial as one may think as it will be too costly for you. The worst thing is that people resort to cash advances when they have some financial problems or credit card debts. It's sad that they do not understand all the consequences it's fraught with and overestimate their possibilities. Take pains not to resort to cash advance credit cards using even [credit card deals for summer vacations](#) otherwise you will be charged huge interest rates and as a result enormous debt you will hardly be able to pay!

About the Author

Andrea Domini is the author at Credit-Card-Analyzer.com and an expert in [Credit Cards.com](#). She will help you to get answers to all your burning questions.

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