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The best online banks of 2021



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[Best Big Banks](#)[Best Regional Banks](#)

Best Credit Unions

Readers' Choice Winners

The best online banks in 2021 make your financial life breezier in all sorts of ways. These financial institutions won't charge you monthly service fees and they'll pay you competitive rates compared to the national average. The very best also make customer service representatives available over the phone all day and night as well as support intuitive mobile banking apps that help you manage your money with ease — important features at any time, but essential during lockdowns in a pandemic.

Bankrate reviewed thousands of data points to determine the nation's best banks. We gave the most weight to savings interest rates and low-cost or free checking accounts. Below are our picks for the best online banks of 2021.

Bankrate's best online banks of 2021



BEST ONLINE BANK
Ally Bank

Ally Bank is regularly recognized as one of the best banks in the country, and for good reason. Ally offers savers competitive rates, doesn't require minimum deposits and supports a mobile app that lets customers deposit checks (standard) as well as organize your savings in buckets (less standard).

Top APYs: Ally constantly offers savers top rates. Another benefit is that Ally doesn't require minimum deposits to open accounts (including for certificates of deposit), making the products accessible to savers of all levels.

High-rated app: The bank's mobile app is impressive. Not only does it let you find nearby ATMs and deposit checks like other bank apps, but the Ally app also lets you organize your money in savings buckets and set up card controls.

No monthly fees: As a bank customer, you won't waste your money on monthly maintenance fees — Ally doesn't charge them.

> [Read our full Ally Bank review](#)



TOP ONLINE BANK

Axos Bank

The brand isn't a household name, but Axos Bank earned a top spot for offering bank accounts with fewer barriers. The online bank doesn't charge monthly fees for its checking and savings account, and it has lower minimum deposit requirements across its bank products than many others.

No monthly fees: Like Ally, Axos Bank stands out from rivals for not charging monthly maintenance fees for its savings or checking accounts.

Low minimum deposit requirements: The amount needed to open a bank account is relatively low — including for the bank's money market account.

Unlimited ATM rebates: This is a good option for those who like to regularly visit the ATM. Axos Bank offers unlimited ATM reimbursements in the U.S. for Rewards Checking, Cashback Checking and Essential Checking accounts.

[> Read our full Axos Bank review](#)



TOP ONLINE BANK

Discover

While you may assume Discover only offers credit cards, the national brand also makes available bank products that are accessible to savers of all levels.

Discover impresses by charging no fees for its deposit products and for offering savers a competitive rate. You can also reach bank representatives over the phone 24/7.

No fees: Among the brand's standout features is not charging fees for its deposit products — that includes not charging customers insufficient funds fees.

No minimum deposit requirements: The online bank doesn't require a minimum deposit to open a savings account or to open a checking account.

Rewards checking account: Discover offers a rewards checking account that gives you cash back when you make debit card purchases. Free ATMs are plentiful, too: You can use 60,000 ATMs across the country.

[> Read our full Discover review](#)

TOP ONLINE BANK

TAB Bank



At Transportation Alliance Bank, or TAB Bank, you can earn competitive yields on certificates of deposit and savings accounts without paying steep fees. There's no minimum opening deposit requirement for its savings account or checking account either. Its mobile app is highly rated by Apple users, too.

Accessible to all savers: Here, savers of all levels can open accounts. There is no minimum requirement to open a savings account and you only have to maintain a daily balance of \$1. Make sure to ditch paper statements. Otherwise, you will pay a \$5 monthly fee for the account.

Rewards checking account: The rewards checking account doesn't require a minimum deposit either.

High-rated app: The mobile app is highly rated by Apple users. On the app, you can deposit checks, pay bills, search your recent transactions and more.

[> Read our full TAB Bank review](#)

TOP ONLINE BANK

Bank5 Connect

Bank5 Connect, an online-only division of Massachusetts-based BankFive, pops in our rankings for offering an attractive savings rate without forcing you to deposit lots of money to open an account.

Accessible to all savers: Bank5 Connect is accessible to savers of all levels. The bank's savings account, checking account and certificates of deposit all have low balance requirements. You only need to deposit \$10 to open its High-Interest Savings account, for example.

No monthly fees: The bank also stands out for the price tag: It offers checking and savings accounts without monthly maintenance fees.

Free ATM access and rebates: Even if you use an ATM outside of the bank's network, Bank5 won't charge you. The online bank will also refund you up to \$15 per statement cycle should the ATM operator charge you a fee for using its device.

[> Read our full Bank5 Connect review](#)

TOP ONLINE BANK

Customers Bank

Customers Bank is headquartered in Phoenixville, Pennsylvania, but its products aren't limited to only individuals living in the area. The bank offers some deposit products online to consumers living in the vast majority of states.

Low overdraft fees: If you overdraw your checking account, the penalty fee (\$20) is less than what many other banks charge.

No fee on savings account: What's great about the bank's High-Yield Savings account is that there is no monthly service fee. However, you will need to deposit at least \$25,000 into the account, so the product is out of reach for many.

Flexible customer service hours: The bank lets you reach someone on the phone seven days a week, from 9 a.m. to 6 p.m. Eastern.

[> Read our full Customers Bank review](#)

TOP ONLINE BANK

First Internet Bank of Indiana

First Internet Bank of Indiana pops in our rankings for low fees, relatively generous ATM fee reimbursements and low minimum deposit requirements.

No monthly fees: Like other best online banks, First Internet Bank of Indiana doesn't charge monthly service fees for its free checking account or free savings account.

Free ATM access and rebates: If you like to pay for things in cash, First Internet Bank of Indiana is worth considering. The bank doesn't charge ATM fees in the U.S. and it will reimburse Interest Checking, Money Market Savings or Regular Savings account customers up to \$10 in ATM fees per month should the ATM operator charge you for the transaction.

Low minimum deposit requirements: You only need to deposit \$25 to open a Free Savings account or a Free Checking account. The bank's money market account is more accessible to a wider audience than many others — you only need to deposit \$100 to open the account. However, you will want to keep an average daily balance of \$4,000 to avoid paying a monthly fee.

[> Read our full First Internet Bank of Indiana review](#)

TOP ONLINE BANK

Varo Bank

Varo is a younger fintech brand that became a bank in 2020. Here, you will earn a competitive rate, pay no monthly fees and have access to rarer features, like the ability to overdraw your account without paying a fee and the option to get your paycheck a couple days early if you enroll with direct deposit. You will have access to 55,000 ATMs for free through its partner, Allpoint.

Competitive rates: Varo offers savers one of the most competitive rates out there. To earn the highest annual percentage yield offered by the bank, you will need to keep your daily balance greater than \$0 but less than \$10,000 each month.

No monthly fees: Like the others ranking on our best list, the disruptor stands out for its prices: Varo customers do not have to pay monthly service fees.

Cash advance feature: The bank can help buy you time when cash is tight. For individuals who need a little extra cushion before their next deposit hits, Varo lets you advance up to \$100 for a small fee. It's called Varo Advance. If you enroll in direct deposit, you can also access your paycheck up to two days early.

> [Read our full Varo Bank review](#)

TOP ONLINE BANK

Salem Five Direct

Salem Five Direct, an online division of Salem Five in Massachusetts, shines for offering a competitive rate on its savings account without requiring a hefty minimum deposit.

Competitive rates: Here, savers will earn a competitive rate. The eOne Savings account is rather accessible, too. You only need to deposit \$100 to open the account and there aren't any monthly fees.

Free checking account and ATM access: Salem Five Direct's eOne Checking account won't charge you a monthly service fee either. Nor does it charge you fees for using ATMs that the bank doesn't own. If the ATM operator charges you, Salem Five Direct will refund you up to \$15 per statement cycle.

High-rated app: The mobile banking app helps customers complete chores quicker. For instance, you can send money to people you know through Zelle as well as turn your

debit card off and on from the app should your physical card go missing.

[> Read our full Salem Five Direct review](#)

TOP ONLINE BANK

Rising Bank

Rising Bank, an online division of a St. Louis-based Midwest BankCentre, is well-regarded for offering bank accounts without charging monthly maintenance fees and for offering savers attractive rates.

Competitive rates: At Rising, savers will earn competitive rates. But you will need to deposit at least \$1,000 into the savings account.

Minimal fees: The online bank doesn't charge monthly service fees for its savings or checking account. Rising also charges lower overdraft fees than many other banks.

24/7 customer service: Rising Bank stands out from peers for making live representatives available 24/7. You can also reach the bank via email.

[> Read our full Rising Bank review](#)

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