

Is it Safe to Use my Debit Card Online?

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Updated October 24, 2021

The Balance

Your debit card makes it easy to use your checking account, and debit cards are accepted almost everywhere credit cards are accepted. But if you have the option to use a credit card, it's probably safer to use credit—especially when shopping online.¹

How To Use a Debit Card Online

Using a debit card for an online purchase is much the same as using a credit card:

1. Enter the debit card number: Provide your debit card number, which is a 16-digit number if you have a bank debit card that's affiliated with Visa, Mastercard, or Discover. If you're using a prepaid debit card from American Express, the number will have 15 digits. You can always enter a debit card number even if the merchant asks for a credit card.
2. Verify other details: In addition to a card number, most merchants require you to enter the expiration date on the card as well as the CCV (card verification value), which is usually located on the back of your card and often consists of three digits. CCVs on prepaid Amex cards are located on the front and consist of four digits. You may also have to enter your mailing address or just the ZIP code, and it must match the address on file with your bank.^{2 3 4}

Unlike purchases at a checkout counter, you will not need to provide your PIN. Online purchases will be processed as a "credit" transaction, and funds will be deducted from your checking account, typically two to four days later.⁵

Benefits of Using a Debit Card

Debit cards are good tools for keeping your costs low and managing your money. They don't come with the annual fee found on some credit cards, and they don't allow you to rack up debt because you aren't offered a credit limit that may be a good deal higher than the amount of money in your checking account. However, there are more benefits to using credit cards.

Benefits of Using a Credit Card

Shopping online exposes you to certain risks, especially the risk that your information will be stolen. The biggest problem with using your debit card for purchases is, if your info is stolen, the thief now has access to the funds in your checking account.

Your debit card pulls funds directly from your checking account. If somebody uses your card number to make fraudulent purchases, your account may get drained. That means it will be difficult or impossible to pay for your necessary expenses, like your rent or mortgage, utilities, and food. You may also incur overdraft fees.⁶

In contrast, a credit card creates a debt that you have to repay, but it doesn't pull money out of your checking account without your knowledge.

If your card information is used fraudulently, you might be protected under federal law, but getting that money back into your bank account is a painful and slow process.⁷

Limits of Liability

If your debit card information is illegally obtained and you report the fraudulent debits within 60 days of receiving your bank statement that included them, you are not liable for the transactions.

However, if your debit card is lost or stolen, you must act more quickly to ensure you aren't on the hook for any fraudulent transactions:

- You're liable for up to \$50 if you report the theft or loss within two business days.
- You're responsible for up to \$500 if you report the theft or loss within 60 days after your statement was sent to you.
- You can be held 100% responsible if you don't report the problem within 60 days of receiving your statement.

Liability for credit card fraud is capped at \$50 if your credit card was stolen. If your information was stolen but you always had possession of your card, you are not liable for any unauthorized use.⁸

How To Stay Safe Using Your Debit Card Online

To reduce the likelihood of problems, follow these basic security rules.

- Look for the lock: Make sure you're shopping on a secure website, especially when it's time to enter your card number. Look for the locked padlock icon in your browser and pay attention to any security warnings that pop up.⁹
- Monitor your account: It's always a good idea to keep tabs on your money, and it's especially important if you're sharing account information online. Check your accounts regularly: once per month at a bare minimum, though more often is better. And set up alerts in your account so you know when money goes out.
- Use secure connections: Mobile devices and free Wi-Fi make it easy to get things done. But you never know how secure a public hotspot is. If you're going to access financial accounts or punch in card numbers, save those tasks for when you're at home or work and know your traffic is safe.

Debit Card Protection

Some debit cards come with additional protection from the card issuer, so you're safer than federal law requires. These services are often called "zero liability" protection or a similar name.¹⁰

If you're using a prepaid debit card (as opposed to one that came with your checking account), you might have less protection—so be sure to research your card's policies before using it online.

The Safety of Online and In-Person Shopping

Using a debit card online isn't the only way to get ripped off. Thieves can steal your card information from brick-and-mortar stores, ATMs, gas pumps, or just about anywhere Wi-Fi is available. Thieves might pull it off with the help of a skimming device or by hacking into a merchant's payment system remotely.¹¹

Despite all the hazards, it's become an online retail world, so you shouldn't be overly fearful of using your debit card number online; shopping is generally quite safe on secured websites.

Frequently Asked Questions (FAQs)

Why isn't my debit card working online?

If your card isn't working, it could be for a few different reasons. You might not have activated the card, it could be expired, you could have entered the information incorrectly, or it may have been frozen due to suspected fraud. You also might not have sufficient funds in your bank account to cover the transaction.

Can I use a debit card online when it says credit card?

There won't be any difference in how you enter a debit card or credit card online, and either one will usually work for online purchases. Although you won't have to enter your PIN or specifically select "debit" online, the money will still be withdrawn directly from your bank account.

Source: <https://www.thebalance.com/can-i-use-a-debit-card-online-315325>