

**Title:**

Business Credit Cards Essential for Home Based Businesses

**Word Count:**

526

**Summary:**

Those who run home-based businesses belong to one of the most dynamic segments of the working world. Technology has revolutionized the way people work and we are witnessing probably the largest sociological shift in generations. If you are a home-based business owner you are part of that revolution.

**Keywords:**

business credit cards, corporate credit cards,

**Article Body:**

Those who run home-based businesses belong to one of the most dynamic segments of the working world. Technology has revolutionized the way people work and we are witnessing probably the largest sociological shift in generations. If you are a home-based business owner you are part of that revolution.

Working from home gives you two wonderful benefits: you don't have to pay rent for office space, and you don't have to commute (no rush, no traffic, less gas). But working from home also entails careful planning especially when it comes to funding the business. This is where business credit cards become very useful.

The most common reason why home-based businesses fail is the mismanagement of finances. Many of those who own home-based business are using their hard-earned savings, home equity loans or lines of credit, and personal credit cards, not business credit cards, as sources of their business funds.

Using your savings may be preferable, if you have reasonable assurance that your home-based business will earn income at a rate higher than the interest rate on your small business credit card. In home equity loans or lines of credit, you will have to pledge the equity of your home. And if your home-based business does not succeed, you could lose your home. On the other hand, unless you use business credit cards for your business, you run the risk of commingling your personal and business expenses, and that makes them harder to manage.

The importance of business credit cards, especially for home-based businesses, cannot be disregarded. Whether the business is home- or office-based, the

business needs to keep business finances separate from the owner's personal finances. Business credit cards give owners the freedom to do just that. You will really appreciate this business credit card benefit when tax season comes and you download your business credit cards transaction history, as well as your monthly and annual reports, from your business credit card company's website: tax filing becomes a breeze. Keep your personal and business finances separate with your business credit card; it'll be good for you in the long run.

When you are just starting out your home-based business, you're likely to incur big purchases. Use a business credit card to pay for office equipment such as computers. You will get some purchase protection, and this is one business credit card benefit that is impossible to overstate.

There are a number of ways to apply for a business credit card. You may be confused about which one of the many business credit cards offers to choose: there are so many flying around. You may want to talk with a friend who is business savvy before making any decision on which business credit card to get.

There may be downsides to using business credit cards, but prudent usage gives you a really effective financial tool. Any business needs credit; and business credit cards help you to establish just that for your home-based business. The best thing to do, if you have doubts on whether you should get a business credit card or not, is to talk to a business consultant about it.