

FDIC

Consumer Resource Center

Your Business, Your Deposits

Vea esta página en español (<https://www.fdic.gov/consumer-resource-center/2024-05/su-negocio-y-sus-depositos>)

Things to know about small business accounts

Your small business may need a variety of deposit services or products. As a small business owner, you may be juggling the expenses of running the day-to-day operations of your business, the costs of expanding your business, and the responsibilities to protect your employees and your customers with your financial choices. Knowing you have all of that on your mind, here is some helpful information and some things to consider about banking for your business.

Payments from your customers

As a small business owner, you will need to decide how customers will pay you. Whether or not to accept debit or credit card payments is an important decision to make. While these forms of payment are convenient for customers, you may choose not to accept debit or credit cards because of the fees and other costs. You may allow customers to pay using mobile apps

(<https://www.fdic.gov/consumers/consumer/news/june2020.html>).

Make sure you carefully read the fine print of any mobile app you're considering, so that you are aware of any fees and limitations on funds availability.

In general, you will want to comparison shop for a mobile app or debit and credit card processing service, since costs and other terms and conditions will vary.

Deciding on whether to separate your consumer and business deposit accounts

Keeping your business accounts separate from your personal accounts has some benefits. Also, the need for separate accounts generally increases as a business grows or becomes complex.

- All deposits owned by a corporation, partnership, or unincorporated association at the same bank are added together and insured up to \$250,000, separately from the personal accounts (<https://www.fdic.gov/resources/deposit-insurance/financial-products-insured/>) of the owners or members. Note, however, that deposits of a sole proprietorship are aggregated with the owner's other deposits held in his/her name only.
- Keeping your business funds separate from your personal funds, such as in a business account, may limit personal liability. The separation allows authorized employees to handle day-to-day business banking tasks without those employees being involved in your personal finances.
- The Internal Revenue Service (PDF) (<https://www.irs.gov/pub/irs-pdf/p583.pdf>) also recommends that you have a business checking account that is separate from your personal accounts. One reason is because doing so can make recordkeeping for tax time easier.
- Business accounts make it possible for customers to pay with credit cards or use checks made out to your business. Remember, if you collect and retain certain customer data, there may be legal requirements to protect it.

For more information about what types of accounts are insured by the FDIC, please visit: Are My Deposits Accounts Insured by the FDIC? (<https://www.fdic.gov/resources/deposit-insurance/financial-products->

insured)

Protections may vary for consumer versus commercial accounts

Your liability for unauthorized transactions on your personal debit card accounts is generally capped by federal regulations — \$50 or more for debit cards (depending on when you notify the bank). While federal law doesn't protect business debit cards from liability for unauthorized transactions, your bank account agreement and state laws could limit your liability. The bottom line: Notify your bank immediately of any problems because state laws, industry standards and your deposit agreements may provide protections (<https://www.consumerfinance.gov/consumer-tools/bank-accounts/answers/know-your-rights/>)

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Watch out for scams targeting your business

Scammers are out there and will do what they can to exploit your business perhaps by stealing information about customers or unauthorized withdrawals from a bank account as well as fraudulent offers and counterfeit bills. Also, here are a few scams to watch out for, so you can protect your business and your money.

Ransomware is a type of malware created to lock or encrypt files on an electronic device like a smart phone or computer. The sender of the ransomware then demands a ransom—generally in the form of a digital asset—in exchange for unlocking or decrypting the information on your electronic device. The scammer typically threatens to publically disclose or sell the compromised information, if the ransom is not paid. If you believe your business is a victim of a ransomware attack, contact law enforcement immediately. You can also contact a local field office of the

Federal Bureau of Investigation (FBI) (<https://www.fbi.gov/scams-and-safety/common-scams-and-crimes/ransomware>)

or

U.S. Secret Service (PDF)

(<https://www.secretservice.gov/sites/default/files/reports/2020-12/Preparing%20for%20a%20Cyber%20Incident%20-%20A%20Guide%20to%20Ransomware%20v%201.0.pdf>)

to report a ransomware attack and ask for assistance.

Phishing is a term for scams commonly used when a criminal uses email to ask you to provide personal financial information or financial information of the small business. The sender pretends to be from a bank, a retail store, or government agency and makes the email appear legitimate. The approach is often threatening or appears urgent in nature. Do not open links or provide financial information unless you are sure of the party who is interacting with you. *Smishing* is similar to phishing, but instead of using email, the criminal uses text messaging to reach you.

Vishing, similar to phishing and smishing, is when scammers use phone services such as a live phone call, a “robocall,” or a voicemail to try to trick you into providing personal or business information by sounding like a legitimate business or government official.

To summarize, making sure you choose the right bank for the deposit services or products that you need for your business is really important. Separating your personal accounts from your business deposit accounts is not only a practical way to run your business, it may also be more efficient. Lastly, stay on the lookout for scams to help protect your business and customers’ interests.

Additional resources:

FDIC Consumer News: [Need a Loan for Your New Small Business?](https://www.fdic.gov/consumer-resource-center/2023-05/need-loan-your-new-small-business)
(<https://www.fdic.gov/consumer-resource-center/2023-05/need-loan-your-new-small-business>)

FDIC: Money Smart for Small Business

(<https://www.fdic.gov/consumer-resource-center/money-smart-small-business>)

FDIC: Understanding Deposit Insurance

(<https://www.fdic.gov/resources/deposit-insurance/understanding-deposit-insurance>)

Small Business Administration (SBA):

Open a business bank account (<https://www.sba.gov/business-guide/launch-your-business/open-business-bank-account>)

SBA:

Strengthen your cybersecurity (<https://www.sba.gov/business-guide/manage-your-business/strengthen-your-cybersecurity>)

Cybersecurity & Infrastructure Security Agency:

StopRansomware.gov (<https://www.cisa.gov/stopransomware>)

For more consumer resources, visit FDIC.gov (<https://www.fdic.gov/>),

or go to the FDIC Knowledge Center

(https://ask.fdic.gov/fdicinformationandsupportcenter/s/public-information?language=en_US). You can also call the FDIC toll-free at 1-877-ASK-FDIC (tel:18772753342) (1-877-275-3342 (tel:18772753342)).

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