

# **Hosed At The Gas Pump – By Your Debit Card**

**If you ever use your debit card to pay at the pump, watch out: Did you know that every time you top off the tank, a chunk of *your* checking account can be blocked – sometimes for days, with the potential to cause you all sorts of headaches and bounced checks?**

**How your money gets frozen – If you use your debit card at the pump that does not require a PIN, the station regularly will block out an amount – often \$50 or \$75 – on your card.**

**That amount doesn't "un-block" as you drive away. Instead, the hold remains until that evening, and sometimes for up to several days, until the station does a "batch" transaction, according to the U.S. Public Interest Research Group. The reasoning behind policy is that oil companies don't know how much gas you're about to pump – only PIN – based debit transactions are processed immediately – and so they earmark a certain amount of your money. They want to make sure they are protected to get payment for gasoline. This general idea isn't new. Credit card companies have done it for a long time. It's less of an issue with credit card owners, however, because you're usually told that it's happening and you're probably not flirting with your credit limits. If a company puts a chunk of dough in your checking account off-limits without your knowledge, however, it can cause real migraines.**

**How to protect your self – 1. If you must use a debit card, pay inside where you can use your PIN; PIN-based transactions are registered immediately. 2. If you pay at the pump, use a credit card. 3. Oil companies' proprietary charge cards often don't have any kind of block feature on them, but not always. Chevron, for example, briefly blocks out \$18.00. 4. Good old cash is STILL good – and many gas stations, tired of paying high credit card fees, now give a discount of up to a dime a gallon for cash. Look for such deals. Finally don't blame the gas station owners for this policy. The big oil companies set the amount of the hold and their merchant banks set the duration.**