Swipe Smart

Tell debit cards and credit cards apart.

6.14 "Personal financial literacy. The student applies mathematical process standards to develop an economic way of thinking and problem solving useful in one's life as a knowledgeable consumer and investor..."

NAME ______________________ DATE ____________

DEBIT CARD

A debit card uses money that is already in your checking account. The money comes out of your account when you make a purchase.

Nora buys a bicycle helmet with money she already has, so she does not get a bill later.

CREDIT CARD

A credit card lets you borrow money from a card company. You pay the money back later, and interest may be charged if you do not pay the full bill.

Sam gets a telescope today and pays the card company after a monthly statement arrives.

1 SORT

8 items

Circle DEBIT or CREDIT for each situation, then choose two items and explain what clues helped you sort them.

1. A $12 music subscription is paid from money in your checking account. **DEBIT** **CREDIT**
2. You use money already in your bank account to buy a notebook. **DEBIT** **CREDIT**
3. You buy a game now and must repay the card company later. **DEBIT** **CREDIT**
4. A $30 grocery purchase lowers your checking account balance right away. **DEBIT** **CREDIT**
5. The card issuer sends you a bill for $40 you borrowed for shoes. **DEBIT** **CREDIT**
6. You can pay only part of this month's card bill, but interest may be added. **DEBIT** **CREDIT**
7. You tap a card to pay $6, and your bank removes $6 from your account. **DEBIT** **CREDIT**
8. A purchase is declined because your checking account does not have enough money. **DEBIT** **CREDIT**

2 PROVE IT

Explain your thinking

Pick two items from Part 1. For each one, tell how you knew where it belonged.

ITEM # ______ **HOW I KNEW** ____________________

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ITEM # ______ **HOW I KNEW** ____________________

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3 MAKE YOUR OWN

One of each

Write one new DEBIT example and one new CREDIT example.

DEBIT ____________________

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CREDIT ____________________

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CHALLENGE

Ava has $40 in her checking account. She buys a $17 backpack with a debit card and a $12 book with a credit card. What is left in her checking account, and how much does she owe the credit card company?

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PART 1 · SORT

#	ITEM	CATEGORY	WHY
1	A $12 music subscription is paid from money in your checking account.	**DEBIT**	The purchase uses money already in the checking account.
2	You use money already in your bank account to buy a notebook.	**DEBIT**	The purchase is paid directly from money the buyer already has.
3	You buy a game now and must repay the card company later.	**CREDIT**	The card company lends money that must be repaid later.
4	A $30 grocery purchase lowers your checking account balance right away.	**DEBIT**	The money is removed from the checking account immediately.
5	The card issuer sends you a bill for $40 you borrowed for shoes.	**CREDIT**	A bill for borrowed money indicates a credit card.
6	You can pay only part of this month's card bill, but interest may be added.	**CREDIT**	Credit card balances can be repaid over time and may have interest.
7	You tap a card to pay $6, and your bank removes $6 from your account.	**DEBIT**	The bank takes the purchase amount from the account.
8	A purchase is declined because your checking account does not have enough money.	**DEBIT**	A debit card purchase depends on available money in the checking account.

PART 2 · PROVE IT

Accept any explanation that names the deciding feature from the rule box for the chosen item.

PART 3 · MAKE YOUR OWN (SAMPLE ANSWERS)

- **DEBIT**: Kai pays $14 for a movie with money taken from his checking account.
- **CREDIT**: Elena borrows $60 with a card and pays it back when her bill arrives.

Challenge: Ava has $23 left in her checking account. She owes the credit card company $12.

Items 1, 2, 4, 7, and 8 are DEBIT. Items 3, 5, and 6 are CREDIT. For Part 2, students should identify whether money came from an existing checking account or was borrowed and paid later.