



## Be well-informed on check-cashing

### Check-cashing options

You need to pay bills, and you have a check. What options do you have?

### Where can I cash a check?

Banks and credit unions typically offer complete banking services, including check-cashing, which is often included with an account and can be free of charge for their customers.



Check-cashing centers also cash checks, **but for a fee.**

Check-cashing centers appeal to many people because of their convenience and fast service. Many people who do not use traditional banking services may see this as the only resource for cashing checks. Others see the location, hours, additional services, the ability to access cash immediately, and simple fee structure as worth the higher cost.

Other options include grocery stores, retailers, and pre-paid accounts. As always, it pays to do a little homework and shop around.

### Before you pay a fee...

#### Timing?

If timing is an issue, your bank or credit union may make funds available sooner than you think.

- Many banks and credit unions now offer immediate use of funds deposited – be sure to check your institution's "funds availability policy."
- Your bank or credit union may make most funds available the next business day, and may notify you if there's a problem. There are exceptions, so check your account's disclosures.

#### Need Banking?

More than 1 in 4 Pennsylvanians either do not have a banking account or do not use their bank or credit union very much. There may be options you didn't know about, including:

- Made Mistakes? "Second Chance Banking" services are offered by some banks and credit unions to help you rebuild your banking history.
- Bargains still exist! With a little searching, you may find an account with low minimum deposit requirements and low fees that could suit you perfectly.
- Need local help? "BankOn" is a national non-profit coalition that works to ensure that everyone has access to safe and affordable financial products and services. It is available in cities such as Lancaster, Pittsburgh and Philadelphia. **Learn more** →



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### Lower Cost Options?

Even if you do not have a bank or credit union account, there may be ways to avoid some costly fees:

- Go to the bank or credit union that issued the check -- they may not charge a fee to cash their own check.
- For paychecks, ask your employer to cash your paycheck for you. Also ask your employer to request that their bank or credit union to cash their employee's payroll checks for free.
- Some banks and credit unions will cash a government check for free, with proper identification.
- Ask your employer if your pay can be directly deposited to a prepaid card.
- Retailers may charge less than other services, charging as little as \$3 for checks of \$1,000 or less.
- Prepaid accounts may help those who cash many checks.
  1. They may only charge a flat fee - like \$5 a month
  2. Offer unlimited deposits
  3. Allow you to better track your spending
  4. Understand what fees your prepaid account will charge before you sign-up

### Need Loans?

Small dollar loans are important, but some "Easy Money" loans can be problematic. See our *Easy Money – Loans* publication for some great tips and alternatives.

### Are they licensed?

Companies that cash your checks for free or are connected with a bank or credit union do not have to be licensed. Other companies that charge to cash your check may need to be licensed or registered by the Pennsylvania Department of Banking and Securities. You can find out if your company is properly licensed or registered online at [www.instsearch.pa.gov](http://www.instsearch.pa.gov) or call **1.800.PA.BANKS**.

### Still have questions?

Call **1.800.PA.BANKS** today for information or visit our website at [dobs.pa.gov](http://dobs.pa.gov).

