



NAME: _____ DATE: _____

Paying for My Wants and Needs

Preview this document and note the main topics and ideas. Use these activity pages to take notes and record ideas as you learn. Be sure to save the document with a logical file name in your personal workspace so you can refer back to it later.

Key Terms



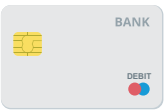

Write definitions for the key terms.

Key Terms	Definition
debit	
credit	
debit card	
credit card	
payment app	
digital wallet	
loan	
overdraft	
interest	

Ways to Pay

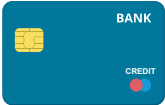


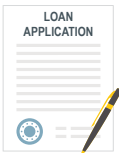
Pros and Cons of Debit Payment Methods

Write any pros and cons of debit payments that you think are important to remember. Debit payments use your own money, while credit means you're borrowing from a bank, credit card company, or other finance company.

Debit Payment Method	Pros	Cons
 cash		
 check		
 debit card		
 gift card		

Pros and Cons of Credit Payment Methods

Write any pros and cons of credit payments that you think are important to remember.

Credit Payment Method	Pros	Cons
 <p>credit card</p>		
 <p>payment app (tied to credit card)</p>		
 <p>digital wallet</p>		
 <p>loan</p>		

Pay Smart

Terrell's Spending Decisions

Terrell is getting a new apartment. He's going to spend \$1,000 on new furniture using a credit card. The furniture company offers him a credit card with no interest if he pays it off in a year, but charges 20 percent interest if it is not paid off.

1. If Terrell doesn't pay the \$1,000 on his credit card, how much interest would he pay on that money in a year if the annual percentage rate is 20 percent?
2. How much interest is adding up each month in case Terrell does not pay it off? (Hint: There are 12 months in a year.)
3. The credit card also charges a late fee of \$39 for any month Terrell does not make the minimum payment on time. If Terrell doesn't pay his bill in the first month and does not pay off the furniture within a year, how much money will he owe?

Big Ideas

- ☐ There are many ways to pay for things, and each has its pros and cons.
- ☐ It's important to keep track of payments as well as any fees charged.
- ☐ Paying with credit will cost more unless the bill is paid in full each month.

1. Which payment method do you think you will use the most as a teenager based on the pros and cons? Why?

2. Which smart buying decisions could you implement today?