



'Blocking' Can Tie Up Your Accounts

Everyone's nightmare: You're at a restaurant with a business client or a date and your debit card is declined. No one wants it to happen to them, but it can--even if you have enough money in your account to cover the bill.

It's called "blocking" and it's perfectly legal. It works similarly to the way credit card blocking works. For example, if you check into a hotel or rent a car, the clerk usually contacts the company that issued your card to give an estimated total. A hold then is placed on your card for an amount that is sometimes greater than the actual purchase amount. This hold can block your use of the money for up to three days on a debit card and possibly 10 to 15 days on a credit card.

For debit card users, blocking happens most often at gas pumps, but can occur whenever you use your card before knowing how much you'll be spending.

According to the Federal Trade Commission (FTC), merchants use blocking to make sure you do not exceed your account balance before leaving a gas station or checking out of a hotel, leaving the merchant unpaid.

Some tips to avoid blocking are:

- Use credit cards, not debit cards, for hotel bills and car rentals.
- When you're traveling, stop at stations of major gasoline brands instead of older, rural, or off-brand stations. Newer, better-known gasoline stations process debit/credit cards faster because of updated technology.
- When you choose a credit/debit card, ask issuers how long they block accounts for transactions involving hotels, rental cars, and gasoline stations. Typically credit unions lift a hold automatically after a few days even if the transaction has not cleared.

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