Should I Have More Than One Bank Account?

Maybe you only have a checking or savings account. Maybe you don’t have a bank account at all. But once you’ve opened a bank account and have become comfortable with using it, there are a number of reasons you should consider opening another one. Between ease of budgeting and saving money, having more than one bank account can make a big difference for your finances. But first, here are some things to consider.

Things To Consider Before Opening An Account

Some people may find that having more than one bank account makes it harder to keep track of their finances. If you’re considering opening a second (or third, or fourth…) account, make sure you know where your money is going and which account your monthly payments come out of. Not only will that help you with budgeting, it will also help guard against accidental overdrafts (when an account balance is insufficient to cover a charge).

You should also understand the terms and conditions of the account you wish to open. Certain types of accounts may have limits on the number of withdrawals you can make each month, for example, or may have certain requirements you need to meet to avoid a monthly fee.

Make Payments Easier

If you don’t already have a checking account, it’s a good idea to open one! A checking account is a safe place to keep your cash and often includes a free debit card to simplify everyday purchases. Additionally, checking accounts usually aren’t limited in terms of withdrawals, transfers, payments, etc., unlike some other accounts.

How to Choose a Checking Account

But if you already have a checking account, it might be a better idea to take advantage of a savings account.

Get Serious About Saving

When you aren't actively taking steps to save money, it can be hard to make any real progress toward your goals. But when you have both a checking and a savings account, you can make saving money an automatic process with scheduled transfers. You might not even notice the money going from one account to another – but given enough time you'll definitely see your savings grow with regular transfers and interest. That's because savings accounts typically earn higher interest rates than checking accounts. But you should also keep in mind that they're not as flexible – usually, you're limited in how many withdrawals and transfers you can make each month.

Find the Right Savings Account for You

What About a Joint Account?

Beyond additional bank accounts for your personal use, there are a number of reasons to consider a joint account for yourself and your partner. But there are also some **things you'll want to think through** before making that decision.

If you want help finding the right account for your financial needs, a local personal financial expert is one click away! Just tap the chat bubble on the lower-right-hand side of your screen to connect with a Hills Bank banker during our business hours. They can answer your questions and even open an account for you. Otherwise, feel free to stop by a nearby **Hills Bank location**. We'll be happy to serve you.

Read this blog online.