

Why Should I Have a Bank Account?

Bank accounts are not just for those with a fortune to stash away—anyone can open one. Essentially, the only requirement for opening an account is proof of identity (such as a driver's license, passport or state-issued ID card). Some banks accept other forms of identity for opening up an account, such as a voter registration card from a different country.

If you're not already using a bank account to help manage your finances, there are some excellent reasons to take this financial step:

1. **Safety:** Stuffing your money under the mattress may be tempting, but in the event of a burglary or a fire you are not protected. It is far safer to keep your money in a bank account. Even if your bank is robbed, your bank account is insured, so you won't lose your money.
2. **Simplicity:** Cash payments may work for you in some instances, but it is certainly not appropriate in all of them. Most standard bank accounts offer the use of a check or debit card in conjunction with the opening of a new account. By using a checkbook or debit card, you can conduct a variety of payments and purchases without having to carry loads of cash in your wallet.

Most banks offer free or low-fee personal accounts. On the bank's website, look for an account labeled “student,” “budget checking,” or something similar. Budget checking may limit your monthly transactions, but it should give you a basic checking account, ATM access, a checkbook and debit card, and (often) direct deposit. Most banks these days also offer online account access, even with their free or very low cost account types.

Having a bank account can be a great tool for managing your personal finances. Account statements can help you determine how and where you are spending your money and put you on track for a reasonable savings plan. Additionally, personal savings accounts often pay interest, which basically earns you free money. Interest paid means your money is working harder for you.

To open up a standard bank account, visit some institutions in your neighborhood and compare fees, interest rates and other benefits before deciding which bank is right for you. Make sure to compare a national bank, a regional institution and a credit union, if you are eligible to become a member.