It is tempting to write a check or authorize an electronic debit when you have insufficient funds in your account to cover it. At best, you may hope to make a deposit before the check is cashed. At worst, you may be deliberately using the check payment as a way to make the creditor leave you alone for a few days.

Avoid this temptation. Bouncing checks is never the answer. You will be charged a hefty fee, often by both the bank and by the creditor each time the check is presented for payment. And creditors may present the same check for payment a number of times. You could also face criminal prosecution for fraud. Although you may be able to defend yourself successfully if you are prosecuted, it is better not to have to deal with this problem at all.

When in doubt, look up your account balance before writing a check or authorizing an electronic debit. Your balance may seem higher than it really is because other checks you have written have not yet been deducted from your account. If you have a joint account, coordinate your check writing carefully with any other person who has power to write checks and make withdrawals.

You might also be tempted to write a “postdated check,” that is a check dated later than the date on which you write it. You do this assuming it will not be cashed until the date written on the check, when you hope to have sufficient funds in the account. Despite what you may think, the check can be cashed immediately and the bank need not wait until the date written on the check.

Instead, delay payment until you are sure you have sufficient funds in the account. That way you are not surprised that the check is cashed early. If things change in the interim, it is not too late to direct your funds to something else more important. And you avoid the cost of bouncing a check.

Source: National Consumer Law Center, Surviving Debt [50th NCLC Anniversary Edition], updated at www.nclc.org/library
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