Name: ______________________________

Credit Decisions

Credit is used when wants or needs exceed the ability to pay. The borrower must pay back the money borrowed with interest.

Read each scenario and look at each bank account. Then decide if you should put the purchase on a credit card and explain why.

1. You want to buy a new pair of shoes for $150.

Bank Account
$842.21
Available Balance

____
____
____
____

2. You drive your car to work every day and it needs

Bank Account

____

Available Balance

____

4. You need to buy a new video game for $70.

Bank Account
$1.35
Available Balance

____
____
____
____

5. Your $100 electricity bill is due.

Bank Account
$43.14
Available Balance

____
____
____
____

ANSWER KEY

Credit Decisions

Credit is used when wants or needs exceed the ability to pay. The borrower must pay back the money borrowed with interest.

Read each scenario and look at each bank account. Then decide if you should put the purchase on a credit card and explain why.

5. Your $100 electricity bill is due.

Bank Account
$43.14 Available Balance

Yes, because your bill is a need.