4 Dangerous Places to Swipe Your Debit Card

By Denise Richardson

Even though you might think you are doing your best to safeguard your finances, you might be doing the exact opposite by regularly using your debit card to complete transactions. Despite the fact that debit cards look identical to credit cards, debit cards do not work in the same way that credit cards do in the event of fraud.

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With credit cards, users victimized by theft simply dispute the charges on their account and their credit card company will investigate the fraudulent charges. In most cases, the credit card company forgives the charges and writes off the theft as a loss. Debit card users are not always as successful when it comes to disputing identity theft and fraud on their accounts. Since debit cards withdraw money directly from your checking account, rather than from an intermediary, once that money is gone, it is gone; and it usually takes weeks or even longer to see reimbursement for stolen funds.
Recent Examples

A waitress was caught skimming customers' credit cards at a Chili's restaurant in Coral Springs, FL. Police suspect there are more victims and investigators are urging anyone with information on this case to contact them.

Think about what happened to consumers affected by one of the many, and most recognized data thefts, the T.J. Maxx data breach. That incident put payment details of thousands of customers available to the public and resulted in over $150 million losses due to fraud. To make matters worse, much of the $150 million in losses were suffered by debit card users who had their accounts cleaned out by the thieves. While credit card users were able to get their accounts cleared up and new cards in the mail within a few days after the incident, debit cardholders waited two to three months to be reimbursed for their losses.

Even though credit and debit card fraud is a possibility no matter how careful you are, being a bit overly cautious when it comes to safeguarding your personal account data never hurt. The next time you are inclined to pull out your debit card to pay in any of these four locations, you may want to think twice and use your credit card instead.

No. 1 Place to Avoid: Outdoor ATMs

Outdoor ATMs are among one of the most dangerous places to swipe your debit card. Open-air kiosks give an ideal opportunity for thieves to skim users' data, grabbing it out of thin air, even in broad daylight.

Skimming is the practice of capturing card information by running it through a device that reads the card's magnetic strip. Skimming machines are frequently placed over the actual card slots at ATMs or other outdoor card reading terminals like vending machines or parking lot payment kiosks.

No. 2 Place to Avoid: Gas Stations

Gas station pumps share many of the features card criminals love when exploiting outdoor ATM locations. In a place where you have multiple transactions occurring at any one time, combined with minimal supervision, it isn't difficult for someone with malicious intent to install a skimming device and a small closed circuit pocket-sized camera to help him in his cause. Thieves employ small video cameras at gas pumps to capture footage of unsuspecting card users typing in their PINs, saving it for later and going on a spending spree.

All the same, even if the thief does not get your PIN, he is still able to reproduce your card's magnetized strip and use it for most transactions.

No. 3 Place to Avoid: The Web

Debit cards are an undeniably convenient way to purchase products online, especially for those people who do not want to use credit cards. Sadly, it is also one of the most dangerous places to use your debit card.

When you put your debit card online, it is almost as if you are putting it on display for thieves. Your data isn't as secure as you may think in cyberspace.

Malware or spyware downloaded to a computer provides an entry point for a hacker to store and lift information whenever they please.

There are also attacks that come from someone who hacks into a wireless network. Hackers can eavesdrop and collect data from multiple households at one time.

Of course, there are low-tech options for debit card theft also. Once your information is transmitted to the merchant, it is visible and accessible by its employees, but is also still vulnerable to hackers, giving it double threat potential.

No. 4 Place to Avoid: Restaurants

Waiters regularly take customers' debit cards to run them behind closed doors. However, some will keep debit card numbers and expiration dates with the intention of using them later on.

However, it isn't just sit down eateries and their employees posing a potential threat to your debit card. Using your debit card to order delivery can be dangerous too. Cashiers and card terminals tend to keep customer payment information on file for several months. While this might make future orders from that restaurant more convenient, small businesses rarely follow the steps necessary to protect information.

Instead of using your debit card to pay for your next meal, purchase, or fill up, consider using a credit card instead. Swiping a debit card is convenient -you typically don't have to show a picture ID, and you can get instant access to cash without ringing up debt. The trouble is the debit card is tied to your money -your bank account--and dealing with debit card fraud comes with more headaches than credit card fraud. If your debit card account info is swiped by a thief or hacker, soon your money will be swiped too. Treat your debit card with the same caution and care you would give to the money in your bank account or wallet. After all --that's exactly what it is.

Find additional tips to avoid having your debit or credt card swiped, and learn more about card skimming risks, read a few earlier blog posts.

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