

Gas Credit Cards' Average Interest Rate Exceeds 23%

Rewards Also Lacking, Especially Compared to General-Purpose Cards

Austin, Texas – April 11, 2018 – The average gas-station-branded credit card charges an interest rate of 23.61% – nearly 7 percentage points higher than the national average for all credit cards – and comes with rewards that can't match up to a typical general-purpose credit card, according to a new CreditCards.com analysis of 28 widely-available gas cards. Click here for more information:

<https://www.creditcards.com/credit-card-news/gas-card-survey-2018.php>

24 of the 28 gas cards dangle per-gallon discounts, but the average is just 5 cents per gallon. The national average for a gallon of regular gas is \$2.66, according to AAA, so that's just shy of a 2% return. It's even worse in expensive states like California, where AAA says the average price is \$3.52. A 5-cent discount there nets less than 1.5%.

There are plenty of general-purpose credit cards that offer 2% rebates in the form of cash-back and travel rewards. These typically charge much lower interest rates and provide cardholders with far greater flexibility. General-purpose cards are also much more likely to offer lucrative sign-up bonuses.

For example, the Capital One Venture Rewards card gives new cardholders 50,000 miles (worth \$500 in travel) after they spend \$3,000 within 3 months of opening the account. Cardholders receive 2 miles for every dollar they spend (essentially a 2% return) and there is no annual fee for the first year.

Citi Double Cash is another popular general-purpose card that offers 2% cash back on all purchases (although it doesn't have a sign-up bonus). And the American Express Blue Cash Everyday card gives 2% back on gas with a \$200 sign-up bonus.

12 of the 28 gas cards that CreditCards.com analyzed come with an introductory offer, most commonly 25 cents per gallon. The catch is that this discount is only available for a very limited time (usually 2-3 months).

“If you're planning a big road trip, this is one instance when it might make sense to sign up for a gas rewards credit card,” said CreditCards.com senior industry analyst Matt Schulz. “But even then, there are restrictions to be aware of – several of the most generous introductory offers are capped around \$100 of fuel credits. You're probably still better off with a general cash-back card.”

CreditCards.com surveyed 28 credit cards tied to a specific gas brand that are available on a multistate basis. Local cards and generic cards that include a temporary or permanent reward for gas purchases were not included.

About CreditCards.com:

CreditCards.com is the ultimate credit card destination, filled with the largest marketplace of credit card offers you can find online, along with relevant news, advice, features and user-friendly tools. Our mission is to help consumers seize greater opportunity through smarter spending, and we believe that the right credit card, used the right way, can be a life-changer. In 2017, over 42 million unique visitors used CreditCards.com to find the right credit card to suit their needs.

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