

Misconceptions about Direct Deposit

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Using direct deposit for your paycheck and state or federal benefits not only saves you money; it is also safer and easier than using paper checks. The following are common misconceptions about direct deposit and the corrected facts:

MYTH: Receiving paychecks or benefit payments in the form of a paper check gives you more control over your money because you can deposit it at your bank or credit union when it is convenient for you.

FACT: With direct deposit, your money is immediately accessible, it eliminates the risk of stolen checks and forgeries, and helps protect you from identity theft.

MYTH: Switching to direct deposit is time-consuming and a hassle.

FACT: Enrolling in direct deposit is usually fast and easy. If your employer offers direct deposit, talk to your Human Resources department about enrolling. If you receive Social Security or Supplemental Security Income (SSI), call Go Direct's toll-free helpline at 1-800-333-1795, visit www.GoDirect.org, or contact your local bank or credit union to sign up for direct deposit.

MYTH: People who do not have a bank account should not consider direct deposit.

FACT: If you have not yet signed up for an account, go to several of your local financial institutions to compare accounts and open one that meets your needs.

MYTH: If you use direct deposit, you will not know when your money is in your account.

FACT: Your money is always in your account and accessible to you on your scheduled pay date.

MYTH: Direct deposit does not really save time because the check still must be mailed to the bank.

FACT: With direct deposit, your payment is electronically transferred to your bank account. The payment process is completely paperless.

MYTH: Direct deposit is not a trustworthy way to receive federal benefit payments.

FACT: Direct deposit is completely reliable.

MYTH: Direct deposit is not as safe as receiving a check because it is sent over the Internet.

FACT: Direct deposit works by transferring funds directly into your account through a highly secure electronic banking system—not the Internet. It is the same system used by the world's leading financial institutions.

MYTH: Direct deposit is expensive.

FACT: Most banks and credit unions do not charge you to sign up for direct deposit. In fact, they may waive your monthly checking account fee if you have direct deposit.