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Best bank accounts for bad credit

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When you apply for a new bank account in person or online, most financial institutions never look at your credit score. Banks are more likely to look at something called your ChexSystems consumer score, which is assigned to you based on your history around checking, savings and other deposit accounts.

If your ChexSystems report contains negative information, your request for a new bank account may be denied. This can be a tough pill to swallow if you need an account to deposit your paycheck or if you want a debit card for purchases.

Then again, there are some bank accounts for bad credit that may be easier to qualify for if you have made mistakes in the past. This guide goes over the best bank account options for bad credit, who should use them and their pros and cons.

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Best Checking Accounts for September 12, 2024

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Account

APY ⓘ

Balance to open

Balance to avoid fees

Sort by ▼

CHECKING

Member FDIC

No account fees and earn up to \$300 with direct deposit (terms apply).

0.50%

\$ 0

\$ 0

Next

Offer Details

Sep 12, 2024

CHECKING

Member FDIC

Earn a \$250 bonus with 360 Checking. No fees, no minimums

0.10%

\$ 0

\$ 0

Next

Offer Details

Sep 12, 2024

CHECKING

Member FDIC

Earn \$400 when you open and use a new PNC Virtual Wallet® with Performance Select

0.01%

\$ 0

\$ 5,000

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Offer Details

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Checking

Monthly maintenance fee
\$0

Overdraft fee
\$0

Minimum deposit requirement
\$0



FIFTH THIRD BANK

Learn More

On Fifth Third Bank's Website

Fifth Third Momentum
Checking

Bonus Offer ⓘ
\$325

Required actions
Make direct deposits totaling \$2,000
or more within 90 days of account
opening.

Monthly maintenance fee
\$0

Methodology

▼

Show summary

▼

SoFi Online Bank Account



★ 5.0/5

Monthly maintenance fee
\$0

ATM network
55,000

App ratings
4.8 on Apple Store, 3.9 on
Google Play

Why we picked it

SoFi's combination checking and savings account is a good option for consumers who want a bank account with excellent user reviews. This bank has an average star rating of 4.5 out of 5 stars across more than 8,600 user reviews on Trustpilot, although some current reviews are about SoFi's loan products.

SoFi offers one banking product that includes the components of both a checking account and a savings account, and this account is available with no monthly fees. The savings component earns a competitive rate of 4.60% APY, and users can access their money at more than 55,000 fee-free ATMs. Other benefits include no-fee overdraft coverage, payday up to two days early and additional FDIC insurance of up to \$2 million with banking partners.

Pros

- ✓ No monthly fees or hidden fees
- ✓ Earns competitive interest on savings
- ✓ Large network of ATMs



- ✕ Online-only bank (no physical locations)
- ✕ Must open checking and savings account
- ✕ No certificates of deposit (CDs) or money market accounts

Who should use it

SoFi is best for banking customers who want to earn interest on savings while having access to checking benefits like a debit card, ATM access and early direct deposit. This account is also ideal for consumers who want to avoid most banking fees.

Experian Smart Money

Best for on-time bill payments helping credit



★ 4.5/5

Monthly maintenance fee
\$0

ATM network
55,000

App ratings
4.8 on Apple Store, 4.7 on
Google Play

Why we picked it

certain transactions to add depth to Experian credit reports. For example, customers can use their debit cards to pay bills like rent, utilities and streaming services, and then have those on-time payments factor into their credit report, potentially boosting their score.

This account doesn't have any regular fees, and a \$50 direct deposit bonus is available. Users also get standard FDIC insurance coverage, access to more than 55,000 fee-free ATMs and access to bill pay features.

Pros

- ✓ Build credit through debit card purchases
- ✓ \$50 bank bonus available
- ✓ Bill pay features

Cons

- ✗ Only helps with Experian credit scores
- ✗ No physical bank branches to visit
- ✗ No savings, CD or money market options

Who should use it

This account is ideal for people with low credit scores who want to begin building their Experian credit reports with regular bills they pay. It's also ideal for people who want to build credit without any fees.

Capital One 360 Checking

Best for no monthly fees



★ 4.3/5

Monthly maintenance fee
\$0

ATM network
70,000

App ratings
4.8 on Apple Store, 4.5 on
Google Play

Why we picked it

Capital One 360 Checking is known for its lack of fees, including no monthly fees or overdraft fees. There are also no minimum amounts required to open this account.

Users can utilize the Capital One app to deposit checks and make bill payments, and they can access their money with a network of more than 70,000 fee-free ATMs. There are no fees required for the overdraft protection applicants choose for their accounts, and members get benefits like early direct deposit.

Pros

- ✓ No monthly fees
- ✓ No opening or minimum balance requirements
- ✓ Large ATM network
- ✓ Bill pay features

Cons



 Low Trustpilot rating

Who should use it

This account is ideal for consumers who want basic checking with debit card access and who want to keep fees at a minimum.

Fifth Third Bank Express Banking

Best for secured credit card



FIFTH THIRD BANK

★ 4.0/5

Monthly maintenance fee
\$5

ATM network
40,000

App ratings
4.7 on Apple Store, 4.7 on
Google Play

Why we picked it

Fifth Third Bank Express Banking is a starter bank account for people who want to learn positive banking habits and get some help along the way. This account costs \$5 per month, and that fee amount pays for debit card access with no balance requirements or overdraft fees, early direct deposit, checking cashing, no-cost money orders and 24/7 customer support.



helps users build their credit scores as they make purchases and payments over time. This card requires a refundable cash deposit of at least \$300, but it's relatively easy to get approved for — even with bad credit.

Pros

- ✓ No balance requirements or overdraft fees
- ✓ Large network of 40,000+ fee-free ATMs
- ✓ Early direct deposit and bill pay features

Cons

- ✗ \$5 monthly fee applies
- ✗ \$24 annual fee on secured credit card
- ✗ Limited bank locations in just 10 states

Who should use it

This account is for individuals who are new to banking and need some help getting started. It makes sense for people who want a debit card for purchases and bill payments with benefits like early direct deposit.

Dora Financial Checking Account

Best for no credit check



★ 4.0/5



Monthly maintenance fee
\$0

ATM network
30,000

App ratings
3.6 on Apple Store, 3.8 on
Google Play

Why we picked it

Dora Financial offers no minimum balance checking accounts with no credit check required. Applicants don't even have to have a Social Security number (SSN) to open an account since they can also start banking with a passport or a Consular ID.

This checking account doesn't require a minimum balance and doesn't charge monthly or hidden fees. Users get access to a Visa debit card for purchases, bills and access to their money at more than 30,000 fee-free ATMs. Other benefits include early direct deposit, mobile check deposit and free financial coaching.

Pros

- ✓ No credit check or SSN required
- ✓ No monthly account fees
- ✓ Large network of 30,000+ fee-free ATMs

Cons

- ✗ Credit union membership required
- ✗ Online only bank (no physical branches)
- ✗ No savings accounts, CDs or other banking products



This account is for individuals with bad credit or no SSN who want access to a checking account with no minimum balance requirements or monthly fees.

Navy Federal Credit Union Free EveryDay Checking

Best for military and veterans



★ 4.0/5

Monthly maintenance fee
\$0

ATM network
30,000

App ratings
4.9 on Apple Store, 4.2 on
Google Play

Why we picked it

Free EveryDay Checking from Navy Federal Credit Union has many advantages, including its lack of minimum balance requirements and monthly fees. Members get a Navy Federal Credit Union debit card to use for purchases and bills, and accounts earn dividends that are credited monthly.

Other benefits include free traditional checks, digital banking tools, bill pay features and a broad network of more than 30,000 fee-free ATMs. Applicants must join the credit union to apply for this account, and membership requires military affiliation.



- ✓ No minimum balance requirements or monthly fees
- ✓ Optional overdraft protection available
- ✓ Online bill pay features
- ✓ Broad ATM access

Cons

- ✗ Credit union membership required
- ✗ High overdraft and NSF fees

Who should use it

This account is for military members, veterans and eligible family members who want basic checking without any fees.

GO2bank Account

Best for banking on the go



★ 4.0/5

Monthly maintenance fee
\$5

ATM network
55,000

App ratings
4.8 on Apple Store, 4.5 on
Google Play



Why we picked it

The GO2bank Account is a mobile bank account with no annual fee. Users get overdraft protection for amounts up to \$200 and other benefits like early direct deposit and access to funds at more than 55,000 fee-free ATMs. Members can also deposit funds at more than 90,000 locations nationwide.

Note that most banking services need to be executed on the bank's mobile app, and that it can take up to 10 days for a mobile check deposit to show up in your account unless you want to pay a fee. A \$5 monthly fee also applies to this account unless direct deposit requirements are met.

Pros

- ✓ Highly-rated mobile app
- ✓ Large network of ATMs
- ✓ Earn 4.50% APY on savings balances up to \$5,000

Cons

- ✗ Online only bank (no physical locations)
- ✗ Monthly fees and hidden fees can apply

Who should use it

This account is best for consumers who want to do all their banking with a mobile app and have broad ATM access.

Chime Second Chance Banking

Best for no minimum opening deposit



chime®

★ 4.0/5

Learn More

On Chime's website

Monthly maintenance fee
\$0

ATM network
60,000

App ratings
4.8 on Apple Store, 4.6 on
Google Play

Why we picked it

Chime Second Chance Banking is ideal for consumers who have made mistakes with their credit and banking in the past. This account doesn't require a minimum balance, and users can get approved without a ChexSystems report or a credit check. This account also comes with no monthly fees.

Members earn a 2.00% APY on their savings account balances, and they get a Visa debit card for spending and bill payments. A network of more than 60,000 fee-free ATMs applies, and individuals can apply for early direct deposit.

Pros

- ✓ No minimum balance requirements or monthly fees
- ✓ No credit check or ChexSystems report check required
- ✓ Large network of 60,000+ fee-free ATMs



- ✕ Online only bank (no physical branches)
- ✕ Limited account types available

Who should use it

This account can work for anyone who may be denied other bank accounts due to information on their ChexSystems reports.

PNC Bank Foundation Checking

Best for branch locations



★ 4.0/5

Monthly maintenance fee
\$5

ATM network
60,000

App ratings
4.8 on Apple Store, 4.5 on
Google Play

Why we picked it

PNC Bank has more than 2,000 locations nationwide, which is rare among institutions that offer bank accounts for bad credit. This means you may be able to complete some banking tasks and transactions in person, although you should check whether PNC offers locations in your immediate area.



account, and it comes with free cashier's checks and overdrafts. Individuals do have to pay a \$5 monthly service fee unless they're at least 62 years old. However, this fee is waived for the first 12 months. Members can use this account to pay bills and manage their funds, and they can access their money at more than 60,000 fee-free ATMs.

Pros

- ✓ Physical bank locations
- ✓ No minimum opening balance requirement
- ✓ Large network of 60,000+ fee-free ATMs

Cons

- ✗ \$5 monthly service fee applies after 12 months (unless you're 62+)

Who should use it

This account is best for older consumers (62+) who can avoid the monthly service fee, as well as people who live near a PNC Bank location.

Varo Bank Account

Best for app ratings

Varo

★ 3.9/5



Monthly maintenance fee
\$0

ATM network
40,000

App ratings
4.9 on Apple Store, 4.7 on
Google Play

Why we picked it

Varo Bank has one of the most highly rated banking apps, with an average rating of 4.9 out of 5 stars in the App Store and 4.7 out of 5 stars on Google Play. This is good news for customers since Varo Bank is an online-only bank that requires users to complete banking tasks online or using their mobile devices.

The Varo Bank Account is a checking account with debit card access and no monthly fees or hidden fees. Users can access their funds at more than 40,000 fee-free ATMs and enjoy benefits like early direct deposit and digital banking tools. This account doesn't charge any overdraft fees, either.

Pros

- ✓ Highly-rated mobile app
- ✓ No monthly fees or minimum balance requirements
- ✓ Access funds at 40,000+ fee-free ATMs

Cons

- ✗ Online-only bank (no physical locations)
- ✗ Limited account types available

Who should use it

with a highly-rated mobile app. It's also ideal for people who want to begin banking with a low starting balance, as well as those who want to avoid unnecessary fees.

Our picks at a glance

	Monthly Maintenance Fee	ATM Network	App Ratings
SoFi Online Bank Account	\$0	55,000	4.8 on Apple Store, 3.9 on Google Play
Experian Smart Money	\$0	55,000	4.8 on Apple Store, 4.7 on Google Play
Capital One 360 Checking	\$0	70,000	4.8 on Apple Store, 4.5 on Google Play
Fifth Third Bank Express Banking	\$5	40,000	4.7 on Apple Store, 4.7 on Google Play
Dora Financial Checking Account	\$0	30,000	3.6 on Apple Store, 3.8 on Google Play
Navy Federal Credit Union Free Everyday Checking	\$0	30,000	4.9 on Apple Store, 4.2 on Google Play



Account			
Chime Second Chance Banking	\$0	60,000	Store, 4.5 on Google Play
PNC Bank Foundation Checking	\$5	60,000	4.8 on Apple Store, 4.6 on Google Play

[See More](#)

Why consumers are denied a new bank account

While banks and credit unions don't check your credit reports when you apply for a new account, many look at something called a ChexSystems report. ChexSystems is a nationwide reporting agency that keeps an accounting of your banking history and creates reports financial institutions can access.

Negative information on your ChexSystems report can lead to being denied a new account. Examples of activity that could reflect poorly on your ChexSystems report include a history of overdrafts, unpaid bank fees, account closures and more.

Fortunately, many of the best bank accounts for bad credit either don't look at ChexSystems reports or are willing to overlook blemishes in your banking history. If you believe information on your ChexSystems report is making it difficult to open a new account, you should know that the Fair Credit Reporting Act (FCRA) gives you the right to request a free copy of this report at least once per year and more frequently under certain circumstances. You can request a copy of this report [here](#).

those with bad credit

Bank accounts for bad credit help ensure consumers don't turn to more expensive (and sometimes predatory) banking options like payday loans and check cashing services, said Adrienne Taylor, an accredited financial counselor at Tailored WealthSaver.

She points out that these types of institutions charge astronomical fees plus interest, which makes it difficult for someone to get on the right financial track to build wealth or stop the cycle of living paycheck to paycheck.

The bank accounts for bad credit we feature in this guide often don't have any fees, and they make it easier for consumers to access the money they earn with debit cards and ATM access.

"Traditional bank accounts offer a secure way to receive direct deposits, save money and earn a slight interest rate depending on the financial institution," said Taylor.

In the meantime, establishing a relationship with a financial institution can enhance the likelihood of being approved for lending products later, such as a credit card that is used responsibly.

How to choose a bank account when you have bad credit

Consumers with poor credit should focus on finding accounts with certain features. Taylor said the most important thing to look for is an account with low or preferably no monthly fees.

"This allows a consumer to keep more of his or her hard-earned money," said Taylor.

direct deposit, overdraft protection and bill pay features.

Gregory Harmon, an assistant professor of banking and finance at Case Western Reserve University, added that individuals who have some savings should try to secure some interest on their balances.

“Regardless of your credit rating, you should look for a bank that is paying market rates on deposits, about 5% in the current market,” he said.

He also encourages people to check that the bank or credit union they’re considering is federally insured.

Coping with bad credit: Steps to financial stability

While information listed on credit reports and ChexSystems reports is separate, there is some overlap in what it takes to score well in both areas.

For example, managing credit wisely requires responsible use of credit cards and loans, on-time bill payments and avoiding too much debt. Likewise, using bank accounts smartly requires keeping track of account balances to avoid overdrafts, avoiding banking fees and otherwise using the account responsibly.

The good news on both fronts is that most consumers get more than one chance to get on solid financial footing. Options for banking with bad credit can help consumers re-learn positive banking habits like tracking spending and avoiding overdrafts, whereas consumer products like [secured credit cards](#) and [credit cards for rebuilding credit](#) can help individuals build credit after making mistakes in the past.

Methodology

institutions to develop the rankings for the best bank accounts for bad credit.

This included accounts from a mix of traditional banks, online banks and credit unions available nationally. We ranked each account on 16 data points across seven categories.

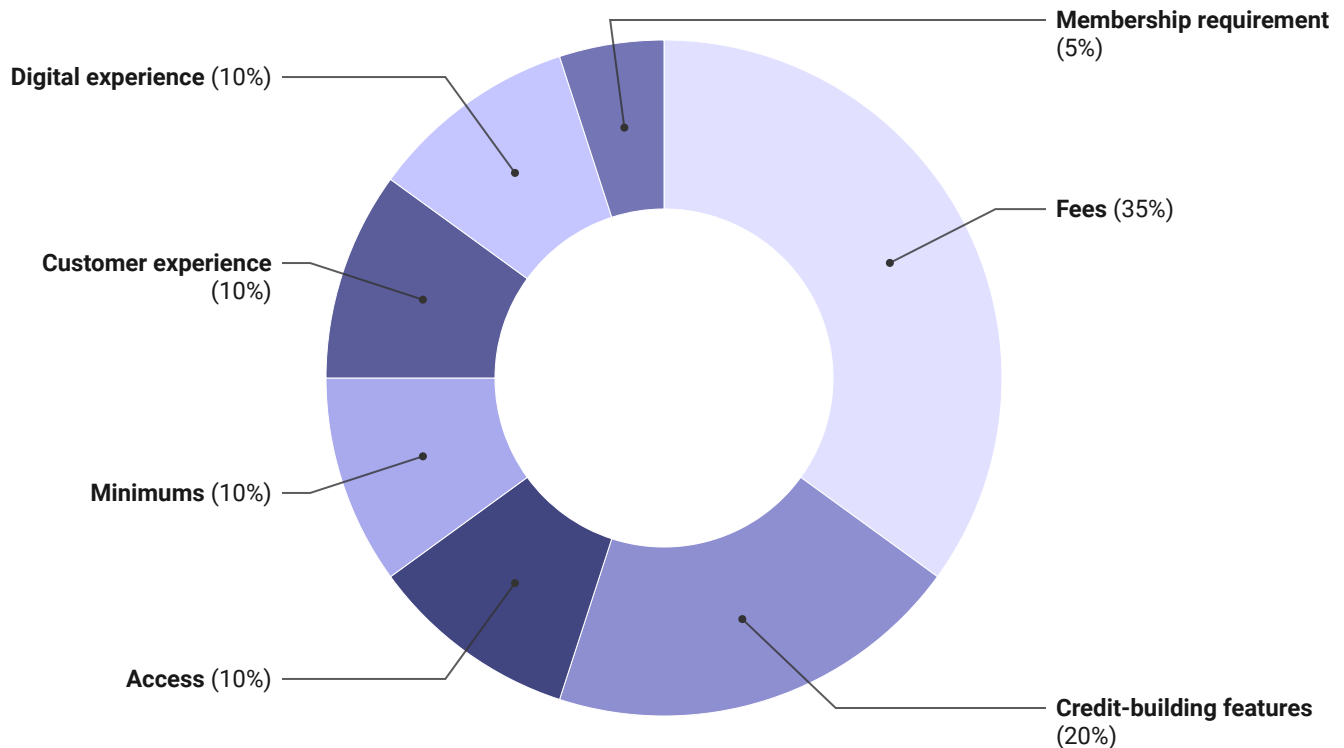


Chart: CNN Underscored Money • [Get the data](#) • Created with [Datawrapper](#)

Here are the categories we analyzed and how we weighted each:

Fees (35%)

Fees are a critical factor to consider when opening a bank account because they can quickly drain your money. We analyzed monthly maintenance fees, the ability to waive fees, overdraft fees, NSF fees and third-party ATM fees.

Credit-building features (20%)

Some bank accounts offer features that can help people improve their credit scores. Accounts that offered secured credit cards or helped customers apply on-time bill payments to their credit reports scored higher.

Because you'll likely be making frequent transactions with this account, access is important. We analyzed both branch and ATM locations.

Minimums (10%)

Minimums affect how flexible your checking account is and which accounts you can access. We analyzed minimum balances to avoid fees and minimum opening deposits.

Digital experience (10%)

You'll want a bank with a usable app and plenty of online features that make it easy to bank from anywhere.

Customer experience (10%)

It's important to have a bank that's trustworthy and easy to reach when you need help.

Membership requirement (5%)

Financial institutions may have membership requirements you must meet to join and get accounts. For example, some credit unions have eligibility based on a list of employers, counties of residence or membership in certain charitable organizations. We rewarded financial institutions that allow anyone to sign up.

Frequently asked questions (FAQs)

What are the benefits of second-chance bank accounts?



Second-chance bank accounts can be easier to qualify for, and they often come with no minimum opening balance requirements and no monthly fees. Other benefits to watch out for include large networks of fee-free ATMs, no-fee overdraft protection and early direct deposit.



Are there checking accounts for bad credit?



How can opening a bank account help improve my credit?



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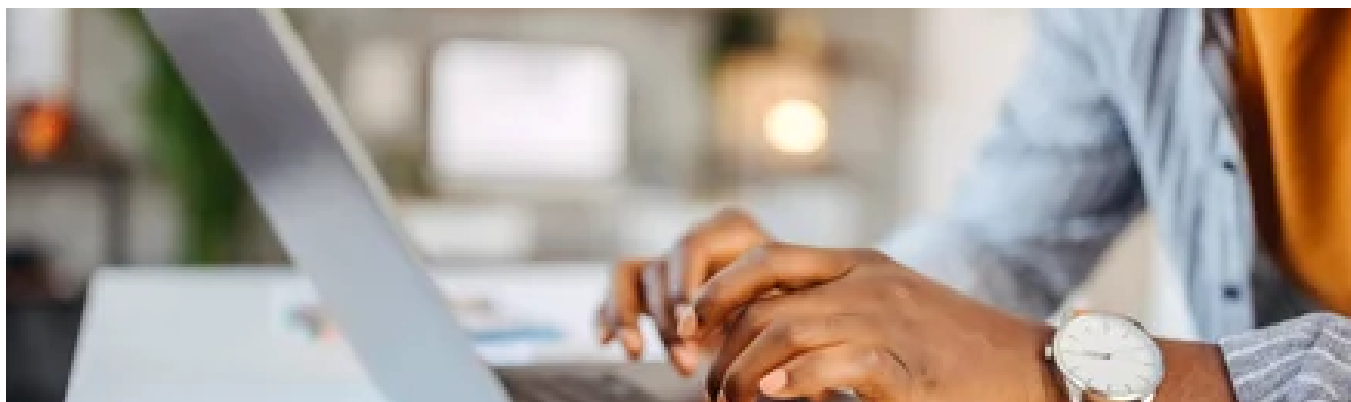
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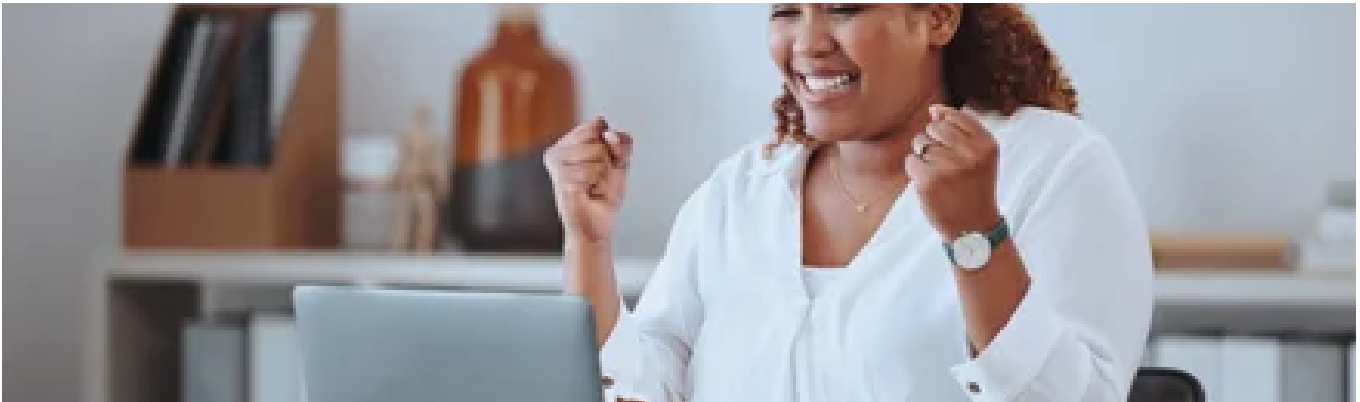
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