



3 Things I Really Don't Like About the New CIBC Costco Mastercard

Description

Well, it's official: the **CIBC Costco Mastercard** will arrive in our pockets on **March 4, 2022**. Your new card will be automatically issued to you, and you can start enjoying benefits that are exclusive to the CIBC card after March 4, such as higher earn rates for Costco Gas and Costco.ca purchases as well as mobile device insurance for phones bought with your CIBC Costco Mastercard.

While these new features are certainly exciting, I'm not exactly jumping up and down over them. Though, true, I do like this Costco Mastercard more than the Capital One version, I am disappointed about a few things.

No extra cash back for in-store purchases

Yes, perhaps the biggest disappointment is that you still can't earn extra [cash back](#) for purchases made inside a Costco warehouse.

That said, CIBC did bump the base rate on the CIBC Costco Mastercard by 0.5%. When the new card is released, you can earn 1% on all Costco purchases, which is a step up from the meagre 0.5% earn rate on the Capital One card (1% after you spend \$3,000).

We also *do* get 2% cash back on all purchases made on Costco.ca. That's not bad, but it's not perfect; I'd still love to see this card earn 2% in-store.

One solution is to get a Costco Executive Gold Star Membership, which costs \$120 per year — only \$60 more than the basic membership. With the Executive Gold Star Membership, you'll earn 2% back on Costco purchases. It's unclear whether you can double dip with your CIBC Costco Mastercard and Executive Gold Star Membership, but, if you can, that might be the most lucrative way to amass cash back.

Earning caps for bonus earn rates

One of the best parts of the CIBC Costco Mastercard is the extra cash back on Costco Gas (3%) and purchases made on Costco.ca (2%). The only problem — these rates are capped at a maximum earn capacity.

For gas purchases, you can spend a maximum of \$5,000 at the bonus earn rate. That's both the 3% cash back on Costco Gas and 2% back on all gas stores. So, if you shopped only at Costco Gas, you could earn a maximum of \$150 (\$5,000 spent). Shop exclusively at non-Costco gas stations, however, and you'll earn \$100. After you spend \$5,000, it doesn't matter where you buy gas, as you'll earn at an equal 1%.

For Costco.ca purchases, you'll earn 2% on your first \$8,000 (\$160 in cash back). After that, your bonus rate drops to 1%. So, again, if you want to maximize your cash back, buy your first \$8,000 of goods on Costco.ca. Then, after that, it doesn't matter if you shop in-store or online: you'll earn at the same 1%.

Fortunately, the CIBC Costco Mastercard does have one cap-less bonus rate: restaurants. Like the Capital One card, your new card will earn 3% on restaurant purchases with no spending maximums.

No sign-up bonus

There's no sign-up bonus — not even a free pizza!

Yes, as with the other Costco credit cards, the new CIBC Costco Mastercard comes with no sign-up bonus. That's a little disappointing, especially given CIBC's reputation for giving out hefty sign-up bonuses on other cards.

Is the CIBC Costco Mastercard worth it?

If you're a regular shopper at Costco, then, yes, this card definitely has a place in your wallet. That said, if you're on the fence about becoming a Costco member, I doubt this card will change your decision. You can easily earn more cash back on [Canada's top cards](#), not to mention get a pretty good sign up bonus while you're at it.

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