



## 3 Reasons Your Credit Card Provider Could Take Away Your Rewards in 2022

### Description

Do you think your credit card rewards are set in stone?

Well, think again.

Until you actually redeem your rewards, there's a chance credit card companies could take them away.

Of course, if you close a card before using your rewards, you forfeit rewards with it. But how could you lose rewards if you keep your credit card account open? Let's look at the three most common ways a credit card company could take your rewards this year.

### 1. You miss a payment

Credit card rewards are a privilege, not a right. And as long as your account is in good standing, you'll have the privilege to use them.

But what happens if you start missing payments or you're seriously late on making one? Well, not only will you pay high interest charges, but you could also lose your points or cash back.

Credit card companies vary on how and when they'll take away rewards. Some will take away rewards only when your account becomes seriously delinquent, such as failing to make a payment 60 days after it's due. Others will take away the rewards you earned during an unpaid statement period. Still others will take away rewards, then charge you if you want them back (after your account is in good standing).

No matter what the policies, most will take away rewards if you default on a card. Some might even take them away if you file for bankruptcy, or you run up even debt on your balance to warrant concern.

### 2. Your account is inactive

Perhaps the most heart-wrenching way to lose your rewards is to never use your credit card.

Yes, some credit card companies will take away rewards if your account is inactive. The inactivity period is usually long, anywhere from 12 to 24 months. As long as you show some activity on the account (even redeeming *one* reward is activity) your account will remain open. But if you let it lapse, your credit card provider could close the account and erase all your rewards.

Sometimes it happens with very little warning. Most of the time, however, you'll receive numerous notifications. Some credit card companies will even give you a "suspension period," during which you have a chance to reactivate your account.

### 3. You churn credit card bonuses

Finally, you could forfeit your credit card rewards, if a credit card company catches you breaking the rules. This often happens when you're caught "churning" credit cards.

Credit card churning involves opening new credit card accounts *only* for welcome bonuses. Churners will meet the requirements — spending the necessary amount in the specific timeframe — to earn their bonus. After they've redeemed the points or cash back, they'll close the account permanently.

But credit card providers aren't stupid. They know people try to game the system. If they believe you're churning cards, they could blacklist you, effectively banning you from earning a welcome bonus from them and possibly other credit card companies.

They can also take away your welcome bonus. In fact, you could also lose *all* your cash back and rewards, not just those earned on the bonus

#### CATEGORY

1. Personal Finance

#### PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News

#### PP NOTIFY USER

1. kduncombe
2. sporrello

#### Category

## 1. Personal Finance

**Date**

2025/07/19

**Date Created**

2022/03/07

**Author**

sporrello

default watermark

default watermark