

Ep #177: When to Cancel, Downgrade, or Keep a Credit Card



Full Episode Transcript

With Your Hosts

Alex Payne, Jess Field, and Pam Lorg

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Alex: All three of us have a lot of credit cards, but there comes a time when we wonder if the card is still serving us. We have to decide, should I cancel it? Should I downgrade it? Or do I keep it open and put it in the sock drawer? Listen in as we share our strategies with you.

Welcome to *Points Talk*®. We are three moms who've discovered how to leverage credit card welcome offers to get hundreds of thousands of dollars of travel expenses for nearly free. We've used credit card points and miles to take vacations to places like Hawaii, Paris, Greece, Maldives, Japan, and so much more. And the best part? We each still have 800 plus credit scores. Imagine being able to take the vacation of your dreams for nearly free. It's totally possible, and we're here to show you how.

Alex: Hey, I'm Alex.

Pam: And I'm Pam, Alex's mom.

Jess: And I'm Jess. Let's Talk Points. In today's episode, we're breaking down when canceling a credit card actually makes sense or when downgrading might be the smarter move. If you've ever looked at your annual fee and thought, I should probably do something about this, this episode is for you. This was a highly requested episode, and this is a question we get all the time. People will email us or DM us or post in our Facebook group and say, "My annual fee on this card just posted. Should I cancel it?"

And this is going to be frustrating for a lot of you, but the answer is usually, it depends.

Alex: Do you know what else though, that people will say is they'll say, I just opened up this card. What do I, what should I do with it when the annual fee comes by? And we're like, you have a year to figure it out. You don't need to decide right when you open the card what you're going to do with it.

Jess: Well, some people will say that even before they open the card. You know, they'll say like, I don't know if I should open this card because what if 10 years from now I don't want it? And I'm like, y'all, you are not marrying this card. Like, you can do what you want.

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The other thing, too, okay, this is like, I like to give this analogy. Like if someone came up to you and they were like, "Should I cancel my Netflix subscription?" You would probably be like, "Well, it depends. Like, do you watch Netflix? Do, are your favorite shows on Netflix?" You know, like your decision to cancel Netflix could be completely different from my decision to cancel Netflix, you know?

And so there's not, there is not one, yes, you should always cancel this card, or, yes, you should always downgrade this card. There is not a single answer that applies to every single person. It is going to depend on your personal circumstances.

So, some reasons you might want to downgrade or cancel a card. So downgrading instead of canceling makes a lot of sense if, you know, you're downgrading to a no annual fee card that allows you to keep your credit line and your credit account history open without paying the annual fee, okay? And so, like I just said, when you downgrade a card, you keep that credit history.

And so if you have, if your oldest card has an annual fee, but there's an option to downgrade it to a different card that doesn't have an annual fee, that might be the better option than outright canceling the card because that keeps your credit history and the age of your credit really high from having that the oldest card.

So an example of this is like a lot of times people don't want to have two Chase Sapphire® cards in their family. You know, like maybe I have a Chase Sapphire Preferred®, and my husband has a Chase Sapphire Preferred. And I'm like, you know what, we don't both need one of these. I'm good with just one of us having one. And so instead of canceling the Sapphire Preferred, you could have your player two downgrade it to a Chase Freedom Unlimited® or a Chase Freedom FlexSM or an original Chase Freedom®.

The original Chase Freedom that is no longer open for applications is actually our preferred card to downgrade to because it doesn't lock you out. You can't open that card anymore, so it doesn't lock you out of earning that welcome offer. Like if I had the Chase Sapphire Preferred and I downgraded to the Chase Freedom Flex, which I technically don't even think you can do because the

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Sapphire Preferred is a Visa and the Flex is a Mastercard. But let's say you could.

If I did that, then I would be locked out of earning the welcome offer on the Freedom Flex, you know? And so that's like something you want to keep in mind. It doesn't come up a ton, but that is just something that you do want to keep in mind.

Downgrading also lets you keep the points and miles that you that could be lost without the card. If you downgrade the card, you're able to keep those points and miles open, or you're able to keep them active and in your account.

So, for example, with American Express®, you have to have a card that earns membership rewards in order to keep those Membership Rewards® active and alive. And Amex® is kind of unique because if you have multiple cards that earn membership rewards, they all get pooled into a single account. You know, like you don't have to combine your points across cards the way you do with, like, Capital One or Chase.

And so they all get pooled. So let's say I have an Amex Gold® and an Amex Platinum®. And I'm like, well, I don't want to pay for these two annual fees anymore. I'm going to cancel my Platinum. Sorry, Pam. I'm going to cancel my Platinum. But I don't want to cancel both because then my Amex Rewards go poof. So I'm going to either keep my Gold or I'm going to downgrade my Gold to a Green card or something along those lines, okay?

So those are situations where downgrading could make more sense than just outright canceling a card.

Alex: I think this is a good point too, like with your example of the Chase Sapphire Preferred and the Freedom, like if you're like, hey, me and my player two both don't need a Sapphire Preferred. One downgrades to the Freedom. You keep those points active and alive. You just can't transfer them to transfer partners anymore. So that's something to consider, too. But because you're player two, if they're in your same household, you can move your points to their Sapphire, and then they can move them to transfer partners.

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So there are workarounds, but it's something like you really have to think through, like Jess said, how does this impact my personal strategy? Like for myself, I want to be able to transfer points to my loyalty accounts from my Sapphire Preferred. I can't transfer from my husband's loyalty or his Sapphire Preferred to my loyalty accounts. And so that's something to keep in mind too is who do you want having the is the one transferring the points to whichever loyalty accounts you're going to be using the most.

Pam: So that's why most of us, our husbands transfer to us because we're the ones that control it all.

Alex: Or I have, we each just keep our Sapphires for us.

Jess: I was going to say, for us, we it is worth, it is worth \$95 a year for my husband to just have his own Sapphire Preferred and not have to worry about, you know, transferring the points, and I can only transfer to my loyalty accounts. And, you know, it's just worth it. The peace of mind that comes with that is worth the \$95 annual fee. But I think when you start getting into those \$600, \$700, \$800 annual fees...

Pam: Yes.

Alex: That's where it can be different.

Jess: Yeah.

Pam: Yeah, and that \$95 fee that I, we pay for my husband and that same thing, I'm getting \$10 a month credit for my DoorDash. So I'm, you know, I'm making money on that thing, and I'm having a lot of snacks. Yeah, heck.

Jess: All right, so, so that's like a few situations where downgrading instead of canceling can make sense. Now let's talk about where canceling could make more sense, instead of downgrading. So obviously, the bigger the annual fee, the more likely you are to be like, I'm ready to get rid of this card after the first year.

And I should have prefaced this by like, you always, always, always want to keep your card open for at least the first year. And 99% of the time, the welcome

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offer alone is going to be worth the annual fee for that first year. So you always want to keep it open for at least a year. And then after the year's up, that's when you can kind of decide what you want to do.

So, if the benefits of the card do not outweigh the fee, okay? Like, for example, for a very long time, Pam was, you know, shouted her love of the Amex Platinum from the rooftops, okay? And that card now has an \$895 annual fee. You better believe Pam is getting her money's worth. She is using those benefits. She is more than offsetting that fee. That is a keeper card for her, okay?

But I think a lot of us can think of situations where like, we're a busy parent, and we don't want to have to be keeping track of all these benefits and like we got our 200,000 Amex points and now we're done with this card. We don't want to deal with like couponing our way to offsetting this fee anymore, okay? So, like that could be a time where like, hey, it makes more sense to cancel this card. The benefits do not outweigh the fee for me, okay?

Pam: Okay, so Jess, I want to find ask you now, you got it the first year. You sung its praises too. Are would you keep it the second year? What's your thoughts?

Jess: I am planning to keep my Platinum card. You I will not be making another reel of throwing it in the trash can, okay? But I will say that for some people, it makes sense. It does take a lot of mental energy sometimes to,

Pam: Or have our, or have our points tracker, what is it, that spreadsheet? What's the actual title?

Alex: Benefits Cheat Sheet.

Pam: Yeah, or have that. So that takes away some of the headspace.

Jess: That has made an incredible difference in my life, actually. And we will link to it in the show notes. It's our free Points Talk® Squad benefits tracker checklist, and it's like a Google sheet, and it has little boxes for every, well, not every card, but the most popular cards that come with all these credits, and you can kind of check them off as you go. And so that has actually been extremely helpful for me keeping track of all of these benefits.

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So yes, I am going to keep it, but I can totally see why other people would be like, this is not the card for me past year one.

Another thing could be like you stop traveling as much as you used to. Like something happened, or you just don't, you're just you're just over it, and you don't want to travel anymore. So maybe then, you know, a lot of these cards that come with travel perks, maybe those benefits don't make sense for your lifestyle anymore.

Alex: I also think this is a thing for people where it's like, yeah, I travel a few, couple times a year with my family, maybe, and they're doing points, they're doing all of this, but they're like, I'm not going to an airport lounge every time I travel. So me keeping the Platinum card maybe doesn't make sense for me, even though I'm traveling, it just I'm traveling, one with a family and I can't get everybody in, or two, I'm only taking a couple trips a year, but you're still traveling on points. And so I think that's that can be an impact too.

Jess: Yeah, I think where this has come into play for me is like I've had hotel cards in the past where they come with a free night, you know, every year. And so I'm like, okay, this more than offsets the fee because I'm getting this free night at a hotel. But in reality, it's like, okay, I got to figure out a way to use this free night. Like, I'm just going to go have a staycation, which I otherwise normally wouldn't have to justify offsetting this fee. You know, like that is a situation.

Alex: I think, no, I totally agree with you, but I also think like the “have to take a staycation” for some people, that's, oh, cool, now I get to take a staycation with my family.

Jess: No, but I'm saying for me...

Alex: For you. Yeah, yeah.

Jess: It was like a nuisance to be like, okay, now I have to go find one night to spend at a hotel to use this free night certificate.

Alex: Well, and now with so many cards having hotel credit, it's just like, I can't keep, it's just so much. Like, I'm not going to be able to use all of my credits.

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And I think that's something where even us, we're going to have to think, because this in the last year, there's been a lot of changes to a lot of these premium cards. Which ones are we really going to keep? And I think that's the same thing that you all are doing is what we're doing is we're going to feel this out over the next year and see which cards really stand out, which ones we actually use, which benefits make sense.

And I think that's another thing with the checklist that's helpful, I can see, oh, wow, I did not do a good job using benefits on this card. I probably shouldn't keep it long-term. So I think that can be helpful with that as well.

Jess: Yeah, for sure. And like, I also want to say, I think all three of us can agree on this. There are very few cards that we open and like before we open it or right when we open it, we're like, this is going to be a card we keep forever. Or this is definitely a card I'm going to close after a year. I think we're kind of in the middle, and we're like, we're going to see how this year shakes out. I don't think you need to have that decision made up in your mind before you even open a card, you know?

Pam: Yeah, I think that's a really good point. You know, don't get so worried about all this, you know, see how it goes. At the end of the year, you're going to have a really good idea of whether it worked for you or not.

Jess: Yeah. And then the last one, you know, might make sense to cancel a card if the bonus categories don't match your spending anymore.

Like, for example, there are a lot of people who are like, I want the card that earns the most on gas because I spend a ton on gas. Well, I used to be one of those people, and then I got an electric vehicle, you know? And so I spend zero dollars a year on gas now, and I do not care about any cards that have gas multipliers. But there could be someone who travels a ton for work, and gas makes up a huge portion of their monthly spend, and so having a card that earns 3x on gas, like, makes them a ton of points every year, and that benefit alone offsets the annual fee.

So that's why we say it depends, and it depends on your personal circumstances, travel habits, spending habits, all the things.

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Alex: All right, here are a few other reasons why you might want to cancel or downgrade. I think this one is a huge one, and this has been a big reason for me for canceling some or usually canceling some cards is because I want to apply again and get that welcome offer another time. Banks limit how often you can receive a bonus. I wish I could tell you this is exactly when you can get an offer again for every single card, but every bank has different rules regarding this. We have a whole module on this in Award Travel Academy Next Level.

So, yeah, it's, it can be a bit of a headache to figure out, okay, am I eligible for this bonus again? You're just going to have to look at the card details and figure that out.

Jess: And it's a module that you have to update frequently because it changes all the time.

Alex: Yes, I do. And I am the one who is the one who did this module. So I have to update it. It's probably the most updated module of any of them, to be honest.

So, anyway, especially, I feel like, I feel like I've done this most with co-branded cards, where it's like, okay, I got the bonus on this airline card. I'm going to cancel it. It's been a couple of years. I'm eligible for the bonus again. I'm going to reapply and get that welcome offer again. I, and you guys, tell me if you agree, but I feel like co-branded cards are typically easier to get another welcome offering on than some of the other cards.

Pam: Especially for me, the airline co-branded cards have been. I've probably done that more with them than any other type of card.

Alex: All right, another reason is you're just maybe wanting to simplify your wallet. If you're getting to the point and you're like, I have too many cards, this is overwhelming. I don't want to keep track of all of these. You're, you know, that can be a really logical reason for some people. I am not one of those people. I don't even sometimes look at the number of cards I have, and then when I do, I'm like, oh my goodness, I have a lot of cards.

But the key is we're not spending on all of these cards. A lot of them sit in a sock drawer. And so I don't feel like it's too much to manage, but I do understand for

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some people, that's just too much to wrap their brains around of I have this X amount of cards. This is too many. I need to simplify.

So that can be another reason. A lot of travel cards, they're this is how they're designed. They're designed to be extremely attractive in that first year, so they can entice people to open up their cards. And, you know, they want to get that welcome offer, and you're like, ooh, this looks really nice.

And the ongoing rewards, they might not be as competitive. They might not be able to keep you a customer for life. but that's their hope is that you will. And so you just, like just said, you just got to figure out what makes sense and works for you.

And I think going back to the airline cards, that's when that's vastly going to depend on where you live and what your airports are that you fly the most. Like I'm not someone who keeps a lot of American Airline® cards because I don't fly American Airlines very often, whereas a Delta card is a card that I always keep because I live in a Delta hub and I fly them often. So that's going to really vary based on the airlines that you fly.

Pam: Okay, so now we want to go on to when we make the decision. And Jess did kind of talk about this.

Jess: Sorry, I did not see this portion of the outline.

Pam: No, you didn't talk about it. You just talk, you did talk about, you just said, don't worry about it when you're applying for the cards. Don't get caught in the weeds about this. Open up the cards, meet your minimum spend, get those points or miles, plan some travel with that. And then down the road, that's when you are going to stop, and you're going to say, okay, do I want to keep this card? Is it still working for me?

The biggest way that we use is the Travel Freely app. It's our favorite travel app, and it keeps us updated when an annual fee is due. So I'll get a notice that, hey, your annual fee is going is coming up. That's a signal to me. I don't have to keep it in my brain all year round. Travel Freely now lets me know that I might want to think about that. And so I can look at that date and I can then make that

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decision. Do I want to keep my card? Because it's worth all the benefits and credits that works well for me. Do I want to downgrade it for whatever reason? Or do I want to just downright cancel it?

I will tell you honestly, I've done very little downgrading. It usually is keeping or canceling cards for me. For most cards, except for Capital One, that annual fee will post, and if you cancel it within the 30 days of when you're supposed to pay, then the annual fee will be credited back to you. So it's really, really easy. For Capital One, it's a little different. Once it posts, you're going to be charged for that, most likely. And so you do want to think ahead and plan to cancel or downgrade it just before that happens. So you do need to keep that year in mind.

But again, if you have the Travel Freely app, and we'll put the link to that in the show notes, then you don't have to think about it until that comes to you. You can just wipe it out of your mind. It's not a thing you need to worry about.

[19:12 how to cancel and downgrade/retention card] How to cancel and downgrade these apps? Well, my favorite is Amex because you can do a chat on Amex. And so I just get on there on Amex. Now, one thing I do if I think I'm going to cancel a card is I will ask for a retention offer. So I'll ask if, I'll say, I'm thinking about canceling this offer. Do you have any retention offers? So they may say, "Hey, if you'll put \$3,000 spend, we'll give you 20,000 Amex Membership Rewards, something like that." And then I can decide if it's worth it or not.

To be honest, I used to get great retention offers. And to be honest, I'm not getting great retention offers anymore. So I usually go ahead and just cancel. But it's very easy to work with because you don't have to talk to someone. I like it when you can just chat.

On my Chase cards, I do a secure message. I go on there, I do a secure message that says, I would like to cancel such and such card. I don't even do the retention offers with my Chase cards. I don't know, these girls are shaking their heads too.

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Jess: I've never gotten one with Chase. I will say if you want to downgrade or they call it "product change," you do have to call for that. But if you're canceling, you can cancel via secure message.

Pam: Yeah, and that's very simple. And then you get a message back a day or two later that says they've canceled it. Very simple. I love these no-contact things. You know, it's kind of funny. We love our no contact sometimes, unless we're really trying to contact someone, and then you can't get a hold of it. And then you can't get a hold of a real person.

Alex: When you're trying to like talk to the reconsideration line, and you're like, but I need to talk to a human.

Pam: Real person, yes, yes. Capital One, you've got to call. You've got to call them and tell them that you would like to cancel or downgrade. Now, Citi, I'm glad, you must have added this.

Jess: I did. I can talk about Citi if you want.

Pam: Please do because I've never, I don't remember. I think I did cancel one time, but that's it.

Jess: I will say with Capital One, you actually can close it or swap your card online now. They're a little quirker, though, because with downgrades, you're not always eligible to downgrade every card. Capital One is just quirky in general, but I actually closed... So my mom had a Venture and a Venture X, and she was like, I don't need both of them. I want to close my Venture X. And so I just went into her account. It had been a year, and I clicked, there was like, you can click manage, close account. And you could just do it right there in your Capital One profile. And so that's really cool with Capital One.

With Citi, I have had mixed results. So, I actually just did this. I downgraded Ted's Citi Premier® to a Citi Custom®, and I was able to do it via chat through his online account. And so I just went to like the Citi chatbot, and I put live agent, and then they connected me with a representative, and I was able to downgrade it. But then, when I went to close one of his Citi AA business cards, it was like, this cannot be completed via chat. You have to call.

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Alex: That happened to me, too.

Jess: So I don't know if it's because it's a business card or if it's because it's a co-branded card or both. But...

Pam: Or one was a downgrade, and one was a cancellation, too.

Jess: Yeah. So he's going to have to call Citi to cancel that card. Um, so yeah, it seems to kind of depend with Citi.

Pam: Okay. Well, let's go on.

Jess: No, we're going on to cards that we've downgraded, and I kind of spoiled it just now. So Ted had a Citi Strata Premier® and a Citi Strata EliteSM, don't need both of those. And so when his Citi Strata Premier annual fee hit, I actually downgraded him to a Citi Custom Cash.

That is a card that I really wanted because I think it pairs really well with the Strata Premier and the Strata Elite, but it's not one that I want him to just outright apply for and take up a 5/24 spot with. And so this is kind of a, you know, this is a way to get the card you want without having to get a hard pull or take a 5/24 spot. And so, like I said, I was able to just chat with Citi. So they downgraded the card for me. They sent us a new one, and then I think within a week, the annual fee had been refunded to his account.

Pam: Okay. For me, my husband, I really, like I said, I usually keep or cancel. I really seldom downgrade, but there was a time with my husband, um, having the Chase Sapphire Preferred. I wanted him to get it again, but I didn't want to downright cancel it. So I downgraded him to the Freedom Card that's no longer available. And then went to the CSP to reapply for him, and he was approved for that.

Alex: Yeah, I've done the same thing. I've downgraded a Chase Sapphire Preferred to the original Freedom. And another one that I've done is the UnitedSM Explorer card to the United GatewaySM, no annual fee card. This one's interesting. So if you hold a United card, you get like special award card member pricing. So, like lower redemption rates, and it can really vary.

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The Gateway card, I don't know, is this like may, I don't know how long ago this was, but you used to just get that by holding the Gateway card. And then they changed it so you have to spend \$10,000 a year on the card and then you unlock the special card member award pricing. And from what I understand is once you've done that, it's good for the current year and then the following year. So kind of like the Southwest® Companion Pass®, like, oh, you get it for the rest of the year you earned it and all of the next.

I don't know how I still have this.

Jess: I do too.

Alex: Yeah, and I'm like, I hope that I just like grandfathered in because I've had the Gateway card for, I've had this card for a very long time. So I'm really, really hopeful that. And Mitch has it too. He has the Gateway card, and he actually opened up an Explorer card over a year ago because we've since, I canceled his United Explorer because I already have the Gateway card for him.

And I am like, I just really hope that both of us are grandfathered into this because otherwise I would, I think it would be worth paying the annual fee on the Explorer card to have that special award pricing because it is significant. It's not like, oh, it's like a few thousand points less. No, it can be the difference between a 150,000 business class ticket and like an 80,000 point business class ticket to Europe. So I think it's, it's worth keeping the Explorer card if you want that.

But let us know if you're like Jess and I and Mitch too who just got lucky and still has that. Like, I got to go like knock on wood, so I don't lose like show up, like look on my United account tomorrow and don't have it or something.

Jess: I will not be bringing that to anyone's attention. I am just like, la di da, nothing to see here.

Alex: Yeah. Because I will not be spending \$10,000 on my United Gateway card.

think we're going to cover that next. There have been a few lately that I've canceled. So, the Hilton business card I canceled last year. They increased the annual fee on that one, and then they also took away one of our favorite

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benefits, which I think it used to be you got a free night award after spending \$15,000 on the card. Hilton free night awards are incredibly valuable, and so that was worth it for me. Like that alone was worth it for me to keep the card. Well, then they jacked up the annual fee and they took that benefit away, and I was like, okay, I'm done. Like, I don't need this card anymore. So I canceled that one.

A lot of you have heard us talk about the Amex gravy train, and so that is kind of where you already have a card. It happens a lot with the Business Platinum and the Business Gold. Those are really popular cards for this to happen with, but it's kind of like you have the card and then you get these targeted emails or targeted mailers from Amex saying that you're pre-approved to apply again. And so people like my husband will end up with three Amex Business Platinum cards. Obviously, he doesn't need three of them. And so, it's kind of one of those things where, like, we get a new one and then as soon as the annual fee hits on the oldest one, we cancel that one. So we cancel a lot of Amex cards for that reason.

And then honestly, most airline cards other than United, because I live in a United hub, and like Alex was saying, I really value the card member savings or the additional award availability that comes with having a United card. So I always have a United card in my wallet.

And then with Southwest's recent changes, the Southwest Performance Business is another one that I'm probably going to always keep because that one comes with free seat selection at the time of booking and I have a very reluctant Southwest traveler husband who is like finally excited to travel Southwest because we can choose our seats and we can even get extra leg room seats 48 hours before the flight. And so that's another one that is now a keeper card in my wallet. But other than that, like I opened a Delta card for the first time this year after a year, probably going to cancel that one. Same with like Alaska cards.

Alex: Yeah, well, the nice thing like with for the Delta card, for example, it's like those points never expire. And so there's no risk of like, oh, but if I cancel, do I have to keep my account active for or 24 months of activity, which Jess has no

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problem doing because she's got her Starbucks account linked to Delta, but if you didn't and you weren't earning any Delta miles or flying Delta, it might be kind of annoying to worry about points, like losing your points or them expiring.

Jess: I think this is the first time in my life that I've earned Delta miles from something other than my Starbucks purchases. So Delta's probably like, what is going on? She suddenly has 100,000 miles in her account. She must be drinking a lot of coffee.

Pam: Okay, well, I well, I agree with some of, um, Jess's cards that she's canceled. Again, Hilton Business definitely canceled that when they took that away. That was a sad day. The Amex Business Platinums from the gravy train have been canceling those.

I have gotten quite a few Delta cards in the in the history of my points and miles journey. I always cancel them after the first year. But then I realized this last year I'd canceled all of them. I really missed that 15% off you get on award bookings and the free bag and priority because I do fly Delta quite often when I'm at Alex's. And so I, now I'm going to always keep one. So that has kind of changed.

But I, too, it really is my airline cards that I cancel a lot. I got Aeroplan card, Air Canada Aeroplan, and then, you know, I just wanted it for the points. It wasn't going to do anything good for me long term. I knew when I opened it up that I wasn't keeping it. So sometimes I do know I'm not going to keep them. And that's probably when I'm opening up random airplane cards like JetBlue I opened up. I'm not going to keep that one. That's going to be one that's going to go by the way.

Jess: You opened a kind of a random one recently. Was it the Virgin Atlantic card?

Pam: I did. Yes, but I do fly Virgin Atlantic a lot to London, but it isn't something I'm going to keep either. I know I'm not going to. So I got that. I'm now at a whopping 8 in 24. So I'm on the quest now of all the different random airline cards, you know, that I'm only keep and know that I won't keep, and I'll only I'll get for that first year.

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You know, I do, like I said, most airlines, you know, and except for a few random domestic ones, which of course is my United, I will always keep. I will keep my Delta card now because I do, did find that I really missed those credits after I didn't have them. And so that's kind of how it goes. But I am a keeper of cards. I can really make for most cards other than the airline cards because if I'm not flying them a lot, I'm not taking advantage of the credits. But for most cards, my hotel cards, I'm getting a free night certificate. For most other cards, the benefits work for me. I'm just not much of a canceler. Alex, how about you?

Alex: Yeah, I've canceled some cards. I probably need to go log on my travel freely app and see if there's any other cards that I need to be getting rid of, but I think I'm going to do kind of like what I said earlier in the episode is at the end of the year, be like, okay, which credits am I making good use of and which ones am I not, and then kind of base what I cancel off of that. But for this year and in last year, some cards I've canceled have been like Ink Business® cards, the Citi AA cards, because it's not an airline I fly a lot, but I do value AA points because they have some really good airlines they partnered with.

I canceled my Alaska cards. So, before Alaska and Hawaiian merged, I opened some Hawaiian cards, so I have Alaska cards and Hawaiian cards. And I have very, a very big dislike for the Alaska airline or the Alaska, Bank of America, sorry, for the Bank of America website.

Pam: Oh, it's horrible.

Alex: It is so bad.

Jess: They're living in the stone ages.

Pam: Yes. They make me want to leave their cards because of that website.

Alex: That is why I left that card. I was like, I don't even, I'm not, I'm done. Like I value, the problem is Alaska miles are extremely valuable. They are amazing points to have. And so I'm sure I'll be back someday and get some of the Atmos™ Rewards cards that I don't have. But for right now, I was like, oh my gosh, I can't even tell sometimes if the card's been paid off. Like, it's so especially with their business cards, it's very confusing.

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Pam: Because it will have the business, it will have two sections for one business card, and you don't know what you're doing. I mean, really, it is insane. You don't know if you're paying your bill or not.

Alex: Well, and I even had like, and here's the other thing. It is extremely hard to set up autopay. So I got autopay set up on Mitch's forever ago. Could not get it set up on mine because you have to like have your account active for X amount of days or months or something before you can add it. And I was like, I can't wait till my year mark, and I can get rid of this card because I... this website is terrible. Like Bank of America, if you're listening, please make improvements and join the 21st century.

Jess: What are you doing?

Pam: Yeah.

Alex: Hawaiian, though, I will keep my Hawaiian card for now because like the their website's fantastic. It's great. It's easy to use. I don't have to stress. And I'm, and if you're listening and you're like, Alex, it's really not that hard. Please teach me how to do it. Send me a YouTube video or something.

Pam: Well, here's you and me, you and me both, saying we hate it and that we've canceled cards because we're so sick of working on that site. So that's that tells you a lot.

Alex: Jess, what do you how do you feel about it?

Jess: It's a pain. I agree with you. I don't understand the two different account things at all. So yeah, I'm in the same boat where like I have a couple and it hasn't been a year, but as soon as it is a year, I probably will just cancel those.

Alex: I'm just like with the number of cards that I have, like I don't have the time to be babysitting this account and making sure I'm not paying on interest on any cards. Like I've just got to be done. So.

Pam: That's really sad for a very major bank to have such a bad site for paying your cards. Maybe it's so bad because they're making so much money on

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interest, because nobody can figure out how to use it. You know, maybe they're maybe that's a... Maybe they're smart, sly as foxes, who knows?

Okay. So anyway, the gist of all of this is that there will always be times when you will wonder if a card is worth paying the annual fee. And you need to take a moment and ask yourself one of three questions. Is this one of my oldest accounts? If it is, you probably want to keep it open. Does it hold a large credit limit, and should I get that limit transferred to a new card? And are my points tied to this card?

So those are questions that you should ask yourself. We hope this has given you some more information about whether you should downgrade a card, whether you should cancel a card, or be like me and keep a trillion open.

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