

# How to avoid paying 21 annoying fees

*By Lisa Gerstner*

Everyone has a story about an outrageous fee triggered by an otherwise ordinary transaction. Perhaps you arrived at the airport only to learn that your carry-on bag was too big--and were forced to pay \$100 to check it. Or you inadvertently overdrew your checking account by a few dollars and got dinged \$35 by your bank. Or maybe you were on a beach vacation and your hotel tacked on a "resort fee" of up to \$50 per night to cover "amenities."

You can't avoid all such fees, but you can sidestep plenty of them with some foresight. Use these tips to keep hundreds--or even thousands--of dollars in your pocket.

## Hotel: Cancellation and Check-In

You could be socked with a cancellation fee if you change your plans at the last minute. Hilton and Marriott impose a penalty equal to one night's stay if you cancel on the day you planned to arrive, and some hotels require more than 24 hours' notice.

Early check-in or late checkout could run \$20 or more, and if you leave your bags with the concierge, you may be hit with a fee for luggage storage of a buck or two per bag.

## How to avoid them

Be sure to check the fine print when booking your reservation and familiarize yourself with the rules about cancelling. Most hotels offer different rates for the same room, with higher-priced options allowing more flexibility. If you think you may need to change your plans, agreeing to pay more from the get-go may be your best bet.

If you have a solid reason to check in or out of the hotel outside of normal hours or to cancel your reservation--say, because of a flight delay--request that the fee be waived.

## When to suck it up

The lowest rates on hotel rooms are often prepaid, non-refundable options. If you want to nab these deals, you simply have to commit.

## Hotel Amenities

Mandatory resort fees, which cover such staples as concierge services and the fitness room, can hit \$50 a night, says Anne Banas, executive editor of SmarterTravel.com. The fees, commonly found at hotels in Las Vegas and at beach destinations, usually don't show up in advertised rates. Also, certain hotels (especially high-end ones) still levy fees of up to \$20 a day for Wi-Fi access or charge extra if you'd like faster speeds.

Too smart to pay inflated minibar prices? If you rearrange the contents of the fridge to hold your own drinks, sensors may be tripped. That could cost from a few dollars to \$30 or more for each item you move. And don't assume the bottle of water sitting on the desk is free. Drinking it could add \$5 or more to your bill.

#### How to avoid them

You can visit [www.resortfeechecker.com](http://www.resortfeechecker.com) to look up fees at the hotels you're considering. If any are unacceptable or unavoidable, simply consider another hotel. You may be able to bypass some fees by joining a loyalty program or booking directly on its Web site. Especially if you're a frequent guest, you should try speaking with a manager to wipe away the fees. If you don't have complimentary in-room Wi-Fi, see whether it's offered free in the lobby or business center. Ask the front desk to remove charges that seem out of line--especially ones for minibar items you never consumed.

#### When to suck it up

It never hurts to ask, but you may not have much luck negotiating hotel fees away. One fee you're likely stuck with: If you're packing more than two adults in a room and the hotel knows about it, you'll probably pay up to \$50 per extra person per night.

#### Airline Baggage

Air travelers are by now all too familiar with the \$25 fee each way to check a bag when flying domestically. Fees for additional bags range from \$35 or so for a second up to \$200 for a fourth. An overweight bag could run you another \$50 to \$200 or more. Taking the bag fee to extremes, Allegiant, Frontier and Spirit airlines charge from \$10 to \$100 to bring a carry-on bag, depending on how and when you pay the fee. And if a security or gate agent deems that you have an oversized carry-on, you may have to pay a hefty fee to check it at the gate (Spirit charges \$100). Or you may be sent back to the ticket counter to check the bag and risk missing your flight.

#### How to avoid them

Review your airline's policies on luggage on its Web site, or compare the policies of 13 major U.S. airlines on [SmarterTravel.com](http://SmarterTravel.com). Southwest lets you check two bags free. JetBlue has traditionally allowed one free checked bag, but new pricing tiers eliminate the free checked bag on cheaper tickets. It may be best to pay baggage fees when you book or check in online instead of when you reach the airport. In some cases, checking a bag is less costly than bringing it as a carry-on. Frequent fliers may benefit from using an airline rewards credit card that includes free checked luggage in exchange for an annual fee.

If a single bag is overweight, it may be cheaper to pack and pay for a second bag. Or compare the cost of shipping items or luggage, rather than taking them on a plane. You can use calculators on the Web sites of the U.S. Postal Service, UPS and FedEx to get an estimate of what you'd pay.

Ground shipping a 60-pound bag with UPS from Miami to Chicago may run about \$70, compared with fees of more than \$100 to check an overweight bag on some airlines.

### Other Airline Extras

Airlines are also pushing the envelope with a variety of other fees: Passengers who pay the basic fare on Air Canada, Allegiant, Frontier and Spirit are charged anywhere from a dollar to \$80 each way to select a seat (any seat); on other airlines, you have a limited selection of no-extra-fee seats. If you aren't Web-savvy, get ready to pay a booking fee; most airlines charge from \$10 up to \$45 to book tickets on the phone, at the airport or at a ticket center.

You could be penalized for printing your boarding pass at the airport; Allegiant charges \$5, and Spirit charges \$10. A few airlines, including US Airways and Virgin America, charge \$3 to \$10 for a pillow and blanket.

### How to avoid them

Again, get familiar with airlines' policies on everything. You can dodge fees either by booking a relatively fee-free flight with Southwest Airlines, or prepare for your trip by, say, printing boarding passes at home and bringing your own pillow. Frequent fliers with certain airlines may also escape some fees; for example, Frontier Airlines typically charges \$10 for booking over the phone, but the fee is waived for elite members.

### When to suck it up

You may be able to cover the price of a ticket with frequent-flier miles, but you'll still pay government fees and taxes. Plus, some major airlines charge \$75 if you book a rewards ticket within three weeks of departure. And if you change your reservation, you may pay from \$30 to \$200 to redeposit the miles.

If you have to change or cancel a nonrefundable ticket, many airlines will charge as much as \$200 for a domestic flight, or more than \$400 for an international flight. Outside of dire circumstances, such as hospitalization or a death in your immediate family, you're going to end up paying it.

Is your kid traveling solo to visit Grandma? If he's age 12 to 15 or younger, you'll pay a fee of \$25 to \$150 each way, depending on the airline. Bringing a furry companion will result in a pet fee of \$25 to \$200 or so. If allowed, it's generally cheaper if Fluffy travels in the cabin instead of the cargo hold.

### Car Rental Insurance

The collision damage waiver, or CDW, which covers damage to a rental car, often runs \$20 to

\$30 a day, possibly doubling the bargain rate you worked so hard to find. Worse, you are likely to get the hard sell to buy it.

#### How to avoid them

Most people can skip the CDW. Your personal auto-insurance policy covers rental-car damage and liability up to the same limits as for your own vehicle. Plus, most credit cards will reimburse for damage to rental cars not covered by your personal auto policy as long as the rental was both reserved and paid for with the card.

#### When to suck it up

If you don't have your own car insurance, you should probably buy at least supplemental liability insurance at the counter (it may run about \$13 a day) because your credit card alone won't cover personal injury or property damage you cause. If you'd rather keep a claim for a potential accident off of your personal insurance records, buying the CDW at the rental counter is a better idea. If you skip the CDW and are involved in an accident, you may be charged administrative and loss-of-use fees (money the rental company loses when the car is in the shop) if your own auto insurance and credit card don't cover them.

#### Car Rental Extras

Car rentals come with a host of other fees, too. Renting a GPS may be about \$13 a day. A transponder to pay tolls electronically may run more than \$60 a week. A car seat for a child is about \$11 a day. And it's best not to light up; you could be smacked with a fee of \$250 for smoking if the cleaning crew smells smoke on the upholstery.

#### How to avoid them

Use as many of your own devices as possible, such as a GPS device or navigation app on your smartphone. If you have your own transponder, such as E-ZPass, bring that, too (check whether you need to register the rental car with the transponder provider).

#### When to suck it up

If you pick up the car at the airport, you may have to hand over an additional 10% or more in airport concession charges. It may cost a whole extra day's rental fee if you return the car late. Unless there has been a death in your immediate family, you're probably stuck with the fee.

#### Annual Credit-Card Fees

A credit card's annual fee may be \$50 to \$100 (and even more for high-end cards). Paying the fee can be worthwhile if you earn enough in card benefits. The American Express Blue Cash Preferred card, for example, charges \$75 a year but offers cash-back rewards that include 6% on up to \$6,000 in supermarket purchases per year. The American Express Gold Delta Skymiles

card (\$95 annual fee; waived the first year) provides two miles for every dollar you spend on Delta Air Lines purchases, and it gets you a free checked bag on every flight for up to nine passengers on your reservation.

#### How to avoid them

Plenty of great credit cards come without a fee. The Citi Double Cash card, for one, pays 1% when you make a purchase and an additional 1% when you pay the bill. If you have a card with an annual fee that's no longer benefiting you, ask the issuer whether it can migrate your account to a new, no-fee card while maintaining the original account opening date for the old card, suggests Nick Clements, cofounder of personal finance site MagnifyMoney. Your average account age--a component of your credit score--will stay intact.

#### Late Credit-Card Payments

Card issuers can charge up to \$25 the first time you pay late and \$35 if you do it again within six billing cycles (plus, your annual percentage rate may spike).

#### How to avoid them

Ask the issuer to waive the fee. If you've been a good customer, it will likely oblige. The Discover It card charges no fee the first time you pay late, and the Citi Simplicity card never charges a late fee.

#### When to suck it up

If your credit card bills are chronically overdue, the issuer probably isn't going to waive late-payment penalties.

#### Foreign-Transaction Fees

Some credit cards charge an extra 3% or so on every transaction you make outside the U.S.

#### How to avoid them

When you travel abroad, pack a credit card without the fee. Capital One charges no foreign-transaction fees on its cards, and the Barclaycard Arrival Plus and Chase Sapphire Preferred cards also skip the fee.

#### When to suck it up

Using your debit card abroad may result in a fee of 1% to 3% of the transaction amount, plus an increased charge to use out-of-network ATMs.

## Balance Transfer fees

If you want to move debt from a card with a high interest rate to one with a lower rate, you'll often pay a fee of 3% of the balance.

### How to avoid them

The Chase Slate card charges no balance-transfer fee as long as you move the money within 60 days of opening the account, and the APR is 0% for 15 months. Or try bargaining for a lower fee on a card you prefer.

## Prepaid Debit Card Fees

Prepaid cards are notorious for nickel-and-diming customers. You could pay as much as \$10 to activate the card, \$2 or more every time you visit an ATM, and up to \$10 in monthly fees.

### How to avoid them

The Bluebird From American Express and Walmart and the American Express Serve cards have minimal fees. Some cards waive the monthly fee if you meet certain requirements, such as arranging for direct deposit.

## Cash-Advance Fees

The fee for getting cash with your credit card averages 4%--a spike of 40% since 2010, according to credit card research site CardHub.com. Interest accrues immediately, usually with a rate of at least 20%. Cash-advance fees are often tied to withdrawing cash at the ATM or with a bank teller, but sending cash from your credit card to your checking account could trigger them, too.

### How to avoid them

Use an alternative source of funds if you really need the cash.

## Bank-Account Maintenance Fees

The average monthly maintenance fee for a checking account reached a record high of nearly \$13 in 2014, according to MoneyRates.com, which tracks bank accounts. Only 26% of checking accounts charge no monthly fee.

### How to avoid them

With most accounts, you can avoid the fee by maintaining a minimum balance or setting up direct deposit. Better yet, use a free, no-strings account. Many credit unions, community banks and online banks offer them (see Best Deals in Online Banks).

#### When to suck it up

Especially if you prefer banking with a large institution but keep a small profile (a low balance and only one or two accounts), you'll have to put up with standard service fees. Replacing a lost debit card may cost you \$5 and getting a cashier's check could be \$8 to \$10.

#### ATM Surcharges

The average fee to visit an out-of-network ATM is more than \$4, when you combine what banks charge their own customers to withdraw cash from out-of-network ATMs with fees that ATM owners charge nonmembers, says MoneyRates.com.

#### How to avoid them

Check your bank's Web site or mobile app for a directory of nearby in-network ATMs. If you are a large depositor or have several accounts, the bank may waive or reimburse some ATM fees. The Ally Bank Interest Checking and Bank of Internet USA Rewards Checking accounts are fee-free and reimburse all out-of-network surcharges with no minimum-deposit requirements.

#### Overdraft Fees

If you've agreed to have the bank cover overdrafts for you, fees often surpass \$30 per transaction when you overdraw your account. And you could get nailed with similar penalties for bounced checks or automatic recurring payments that exceed your balance. Leaving your balance negative for a few days can trigger another fee of more than \$30.

#### How to avoid them

Tie your checking account to a savings account from which the bank can pull money in case you dip below your checking balance. Many big banks charge \$10 to \$13 to transfer the money, but some institutions do it free. The bank may also waive fees if you ask.

#### Bank-Account Inactivity Fees

If you haven't made deposits into or withdrawals from a savings or money market deposit account for a while--say, six months to a year--the bank may charge a monthly fee of \$5 to \$10.

#### How to avoid them

Set up regular transfers into or out of the account; \$1 a month may be all it takes (but make sure the banks involved don't charge transfer fees). Sometimes, calling customer service to inquire about the account qualifies as activity.

### Cable, Internet and Phone Installation

Cable companies often add a fee of anywhere from \$20 to \$150 to have a technician set up cable or Internet service in your home.

#### How to avoid them

You can try to negotiate away the fee as a condition of signing up for service. Or, if all you have to do is connect a modem or cable box, tell the company that you'd rather do the job yourself. If a technician has to come to your home for a service call and you're charged for it, ask to have the fee removed--especially if the problem is the provider's fault.

### Cable, Internet and Phone Activation

These charges may appear on cable, Internet or wireless bills to start new service, and they could run \$40 or so.

#### How to avoid them

Try asking the provider to waive the fee. And look for promotions from wireless carriers that exclude the charge.

#### When to suck it up

Federal, state and local government taxes together make up an average of 17% of a cell-phone bill, according to the Tax Foundation. Cable and Internet plans can also come with significant taxes and fees. Comcast adds a \$1.50 "broadcast TV fee" on top of regular rates in some markets.

### Cable, Internet and Phone Early Termination

A cable company may lure you with a promotional offer that includes low rates for six to 12 months but increased rates after that. If you signed a contract, you're stuck paying the higher rate or canceling service and forking over a contract-termination fee of more than \$300. Wireless phone providers also charge such fees. Typically, cable and wireless companies prorate the fee so that the longer you've held the contract, the smaller the charge.

#### How to avoid them

Sprint and T-Mobile recently ran promotions that promise to reimburse customers of competing carriers for early-termination fees if they switch (but they have to meet requirements such as buying a full-price phone with the new carrier). Or you can try asking a phone or cable company to forgo the fee. It may, for example, waive the fee if you're moving to an area where it doesn't have service. Most phone and cable service operators offer plans that don't lock you into a contract, but cable pay-as-you-go plans may cost more per month.

### Data Overage Charges

If you have a Verizon Wireless More Everything plan that includes 1GB of data, for example, Verizon charges \$15 for each extra gigabyte of data you use. For many smartphone users, about 2GB a month is enough. But if you stream a lot of video or music, you may want to have a plan that provides unlimited data.

### How to avoid them

Find a phone plan that fits your data-usage patterns. Conserve data by connecting your phone to Wi-Fi at home, work and other trusted locations.

### Ticket Service Charge

When you buy a ticket for a concert, show or sporting event through a third party, such as Ticketmaster, you may have to pay service and convenience charges that inflate the total amount by a considerable portion of the ticket's face value. Recently, a \$27 ticket for a concert by Kelly Clarkson in St. Paul, Minn., in August cost a total of nearly \$40 on Ticketmaster with taxes and fees included.

### How to avoid them

If you buy tickets at the box office rather than online, you may not have to pay fees. (But tickets for popular concerts may sell out online before you can get to the venue.) When you buy online, you usually don't have to pay delivery fees if you pick up tickets at the box office. Printing tickets at home or flashing them on your mobile phone may be less expensive than having them mailed to you.

### When to suck it up

Some fees, such as service or convenience charges, are unavoidable if you want to buy a ticket online. But more online ticket sellers are disclosing fees up front.

<http://finance.yahoo.com/news/avoid-paying-21-annoying-fees-185747908.html>