

Definitions Worksheet
(Banking Basics Grades 5-8 Lesson)

Deposit

To put money into an account. This term is also used for the actual amount that is being put into an account.

Withdraw

To take money out of an account. A “withdrawal” is the money that you take out of an account.

Savings Account

A bank account in which you deposit money. The bank pays interest on the balance in the account. You may withdraw money from a savings account at any time without a penalty, but you cannot use a debit card or write checks directly from a savings account.

Checking Account: A bank account in which you put money so you can write checks or spend with a debit card.

Interest (or Interest Rate)

Money you have to pay for using borrowed money. Interest is often shown as a percent for the time the money is used, usually one year. When you deposit money in a bank, the bank pays interest for using your money while it's in the bank.