

# The Best Business Credit Cards of 2020 Compared



By Rebecca Lake Updated: Jan 17, 2020



One of the most challenging things about owning your own business is managing your finances.

Having a business credit card can make it easier to keep track of what you're spending. Using a rewards credit card to cover business expenses could even save you some money.

The question is, which business credit card is the best? The answer depends on what kind of business you have and which expenses you charge the most.

If you're considering getting a business credit card for the first time, MyBankTracker's roundup of the best picks can point you in the right direction.

So, now you know what a business credit card is and who can apply for one.

It's time to move on to which cards represent the best of the best. MyBankTracker has chosen three business credit cards that beat out the competition.

The Best Business Credit Cards:

## **[Ink Business Cash Credit Card: Best for Flexible Cash Back Rewards](#)**

The [Ink Business Cash<sup>SM</sup> Credit Card](#) puts cash back in your wallet on every purchase.

This card features a tiered rewards system, with different cash back rewards rates.



## [Ink Business Cash<sup>SM</sup> Credit Card](#)



Members earn 5% cash back on the first \$25,000 in combined purchases at office supply stores and on cellular, landline, the Internet, and cable TV services each year.

You earn 2% cash back on the first \$25,000 combined at gas stations and restaurants annually.

Once you hit the spending limit, you'll earn 1% cash back on those purchases.

You also earn unlimited 1% cash back on purchases that don't fit into the bonus categories. There's a one-time cash back bonus available for qualifying new members.

This card has no annual fee and employee cards won't cost you a dime. There's a low introductory APR offer for purchases.

You can redeem rewards for cash, gift cards, travel and more. All in all, this card's a good choice for business owners who want a higher cash back rewards rate without an annual fee.

## [Business Platinum Card from American Express: Best for Business Travel Rewards](#)



If you like your business travel with a side of luxury, The [The Business Platinum<sup>®</sup> Card from American Express](#) could be the card for you. With this card, you can earn:

- 5 points per dollar on flights and prepaid hotels booked through American Express travel
- 1.5 points per dollar on qualifying purchases of \$5,000 or more
- 1 point per dollar on all other purchases

This card comes with a sizable introductory points bonus.



## [The Business Platinum<sup>®</sup> Card from American Express](#)



You also get another bonus when you book First or Business Class flight [using your Membership Rewards points](#).

You'll get 50% of your points back later on. So if you redeem 100,000 points for a flight now, you'll get 50,000 points back down the line.

The Business Platinum Card comes with packed with travel benefits, including a \$200 annual airline fee credit, complimentary access to the Global Lounge Collection and a \$100 fee credit for Global Entry or TSA Pre✓.

There's no foreign transaction fee but there is an annual fee of \$595. If you're not a frequent spender, you may be better off with a different card that has a lower fee.

## Capital One Spark Cash for Business: Best for a Flat Cash Back Rewards Rate

The [Capital One® Spark® Cash for Business](#) card keeps things simple.

You earn unlimited 2% cash back on every purchase. There's a one-time cash back bonus for qualifying members who meet the spending requirement.



[Capital One® Spark® Cash for Business](#)



There's no charge for employee cards and the annual fee is waived for the first year. After that, the annual fee is \$95.

Like [all Capital One cards](#), this card charges no foreign transaction fees.

You can redeem cash back at any time and in any amount. The card isn't designed exclusively for travel but you could use your cash rewards to pay for travel purchases.

You also get some travel extras, like travel and accident emergency assistance services and an auto rental collision damage waiver.

## What Is A Business Credit Card?

A business credit card is a credit card that's designed to be used exclusively for business expenses.

For example, that might include things like office supplies or business travel. That sets them from [personal credit cards](#), which can be used for just about anything.

Business credit cards typically show up on your business credit report, instead of your personal credit history.

There are, however, some business card issuers that report to both the personal and business credit bureaus.

Ultimately, whether a business credit card [affects your personal credit](#) depends on which one you choose.

## Business credit card benefits

As far as the benefits of business credit cards go, there are a few. For one thing, these cards may be more generous with the rewards than a personal credit card.

You may be able to earn more points, miles or cash back on purchases. The introductory bonus offer, if there is one, may also be larger than what a personal card would offer.

Business credit rewards programs are usually tailored towards the kinds of things businesses tend to spend the most on.

Again, that could include office supplies or travel but it may also cover cell phone and Internet service, gas or restaurants.

Some business cards offer a tiered rewards program while others pay one flat rewards rate on purchases.

Another advantage of a business credit card is the [potential for a higher credit limit](#). Business credit cards are designed for active businesses that need more purchasing power.

Instead of having a \$5,000 limit on your personal card, for example, you may be able to snag a \$50,000 limit on a business credit card.

That can come in handy if you're trying to grow your business and you need a bigger credit line.

### **Are there any downsides?**

One thing you need to know about business credit cards is that they're not covered by the 2009 CARD Act.

This Act, if you don't know, offers consumers certain protections against things like unexpected interest rate hikes or changes to the terms of the card agreement.

Those guidelines don't apply to business credit cards.

That's not great news but it's no reason to skip out on a business credit card either.

A number of credit card companies voluntarily offer the some or all of the same CARD Act protections to business cards. The degree of protection varies from card to card.

### **Who Can Get A Business Credit Card?**

Business credit cards are intended to be used by business owners. They're available to businesses of all types. That includes:

- Sole proprietorships
- Partnerships
- S-corporations
- C-corporations
- Limited liability companies (LLCs)

Credit card companies tend to take a broad view of what constitutes a business owner. You don't need to have a physical location to get a business credit card.

For example, you could apply for a business credit card if you're a freelance web designer or you have an Etsy store.

You don't necessarily need to be making any money with your venture yet either.

If you've taken the first steps to start a business, such as getting a federal tax identification number, that could be enough to get you approved.

### **Applying for a business credit card**

Applying for a business credit card is similar to applying for a personal credit. The main difference is that you'll need to provide a few extra pieces of information.

Besides your name, address, date of birth, Social Security number and income, you'll also need to give the credit card company some details about your business, such as:

- Your federal tax ID if you have one
- Your annual business income (You can enter '0' here if you haven't gotten off the ground yet.)
- Your business address
- The type of business it is

If you don't have a federal tax ID because you're a sole proprietor or you've got a new business, that's not an issue.

The credit card company will use your Social Security number anyway to check your credit. Pulling your [credit report](#) before you apply can give you an idea of how likely you are to get approved.

### Watch out for the personal guarantee

Unlike a loan, you don't need collateral to get a business credit card. There may be a catch, however. Many business credit cards require you to agree to a personal guarantee.

This guarantee says that if your business defaults on the card, the credit card company can come after your personal assets to recover what you owe.

Essentially, a personal guarantee is your promise to pay.

If your business stalls and you can't make the payments on your card, you could be putting your personal assets at risk.

## Choosing the Business Credit Card That's Right For You

When it comes down to selecting a business credit card, there are several things to keep in mind. First, are you looking for a [charge card or a credit card](#)?

Charge cards need to be paid in full each month. With a credit card, you only need to make the minimum payment. If you need more flexibility in how you pay, a credit card is probably the safer bet.

### Earn rewards on business expenses

Next, do you want a card that offers rewards? If so, which type of rewards would be most valuable for your business? Cash back rewards might make sense if you're spending regularly on every business expenses.

If you do a lot of traveling for business, on the other hand, you may prefer a card that offers miles or points.

If a card offers an introductory bonus, you'll want to look at the size of the bonus and what you need to do to get it. Most cards require you to meet a minimum spending requirement to snag a new account bonus.

If you're feeling tempted by a card with a great bonus offer, just make sure that the regular rewards are a good fit for your spending style.

### Good credit scores still matter

Besides rewards, business credit cards can also be categorized based on what kind of credit you need to get approved.

A ["good" credit score](#) may not be good enough to land a card that requires excellent credit. Knowing what the requirements are before you apply can help you narrow the field.

Finally, there's the annual fee and the purchase APR. If a card offers premium rewards or other perks, that could help to offset an annual fee.

The APR is important to keep in mind if you think you may carry a balance from month to month.

A business credit card could be a valuable way to cover expenses for your business. Being able to earn cash back or miles you can use for flights or hotels could lead to a healthier bottom line.

Just be sure to take the time to weigh your options carefully. The three cards we've profiled here are the ones we think are the best but doing your own research is always a smart move.