HANDLED MONEY · FREE GUIDE

Cash or Points?

A one-page decision guide — for taking the trip without paying for it twice.

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1 · First, the honest gate

Before points enter the picture, five things should be true. Answer for yourself.

- ☐ I pay my statement balance in full most months.
- ☐ I'm not carrying revolving credit-card debt right now.
- ☐ No major loan or mortgage application in the next 6–12 months.
- ☐ I could meet a welcome-offer spend on normal spending — without buying things I wouldn't otherwise buy.
- ☐ Anyone who shares my finances is on the same page.

BEFORE YOU ACT

If even one isn't true, the answer is cash this year — and that's a smart, money-saving choice. Fund the trip from a cash sinking fund and come back to points later. At recent average rates (above 22% a year), interest on a balance usually costs more than points give back.

2 · The one number that decides

How much a point is really worth on a specific booking — your single most useful calculation:

$$\textit{cents per point} = (\textit{cash price} - \textit{taxes \& fees}) \div \textit{points used} \times 100$$

QUICK EXAMPLE

A $420 flight, or 25,000 miles + $30 in taxes: (420 − 30) ÷ 25,000 × 100 = 1.56¢ per mile.
Yardstick: major transferable points were estimated around 1.5–2.2¢ in 2026 (verify — this changes).

3 · The decision rule

Use points (or a blend) only when all three are true. Otherwise, pay cash from your fund — on purpose.

- ✓ **Good value.** Your cents-per-point meets or beats your currency's yardstick.
- ✓ **No new card needed.** You're not opening a card or stretching your spending to make it work.
- ✓ **Paid in full.** You'll clear the statement in full, so no interest touches the trip.

> **YOUR NEXT BEST MOVE** Want the whole system — the trip planner, the readiness check, the full math, and a self-calculating spreadsheet? That's the workbook: Travel Rewards Without Debt, at handledmoney.com.