



Savings Accounts for Youth

Savings accounts provide children with great opportunities to learn basic money management skills, including the importance of saving money. In fact, many lending institutions offer savings accounts designed exclusively for individuals age 18 and under. These types of accounts have extremely low minimum deposit requirements and pay competitive rates of interest.

As a result of having a savings account, your child will learn the following:

- Basic money management concepts and techniques, which will benefit your child for years to come.
- The importance of saving money.
- To set financial goals.
- To be financially responsible, make smart spending decisions and wise savings choices.
- To develop the habit of making regular deposits. Remember that the habit of saving will be of greater value than the amount of money your child actually saves.
- Learning by example is very effective. Your child will learn, through your example, to save money.
- A savings account is a safe place to keep money.
- Money does not “grow on trees.”
- Important social skills as he or she interacts with the financial institution’s employees.
- A savings account provides you, along with family and friends, with a means to financially invest in your child’s future.
- The benefits of investing because the lending institution (bank or credit union) will pay a competitive rate of interest.