

**House of Representatives Standing Committee on Economics
Review of the Four Major Banks (Second Report)
National Australia Bank (NAB)**

NAB45QW: How is interest charged on your credit card products where part payment of the outstanding balance is made by the due date?

Answer

Credit card interest is typically charged on the following basis:

- If the account has an interest free period, and the closing balance of the credit card account is not paid in full by the payment due date each month, interest on purchase transactions is calculated from the day the transaction originally took place until the end of the statement period.
- If the account doesn't have an interest free period, interest on purchase transactions is calculated immediately. For example, generally the date the transaction takes place, and is billed at the end of each statement period.
- Interest on purchases is calculated on the outstanding amount daily until the transaction is paid off in full.