

The best travel credit cards of 2020

For those who travel often and dine out frequently, travel credit cards can offer some of the highest reward rates available.

Each time you use your travel card, you earn points that can be used toward future (or even past) travel purchases -- and then some. Those who want to upgrade their flying experience, for instance, can see benefits like access to first-class cabins, exclusive hotel perks and even related benefits, like paid-for TSA Precheck and Global Entry.

The way travel cards work is simple: You'll earn points for certain purchases that can be redeemed for flights, hotels, rental cars and even cruises. These redemptions usually happen through your credit card issuer's website (or app) or as a statement credit that reimburses you for past purchases you made with your card.

Points or miles can also be transferred to travel partners -- predominantly airlines and hotels -- at a fluctuating conversion rate, where they can then be used to book a flight or hotel room. More on that later.

To choose the best travel credit card, there are a few key factors to consider:

1. **Annual fees.** All of the travel rewards cards reviewed here have annual fees, with some climbing as high as \$550, but those fees are usually mitigated by monthly or annual credits.
2. **Exclusive perks.** Some of the cards also grant access to exclusive travel perks, like airline lounges or VIP welcomes at hotels. The value of those perks is subjective and something you'll have to evaluate for your needs and wants.
3. **Foreign transaction fees.** None of the best travel cards have foreign transaction fees, so that's not something you have to worry about with any of the credit cards recommended below.

How do travel credit cards work?

Travel credit cards turn purchases into points or miles that can be redeemed for travel purchases, like flights and hotel stays. Sometimes you can redeem those points for cash, but you get the best rate when using them to book travel. The top cards have their own travel booking portals through which you can find flights, hotels, and rental cars; sometimes, points are worth more when used in those portals.

Airline and hotel credit cards -- which we didn't include in this list -- operate like loyalty programs in that you stay in a closed loop rewards system. You earn rewards when you purchase flights or hotels through your chosen airline or hotel company, and you can use those points for perks or future bookings through the same airline or hotel group.

Other travel credit card benefits

Most travel credit cards -- which carry hefty annual fees -- include benefits that further add value to those cards. Benefits like rental car collision insurance and even lost luggage reimbursement have become standard. Here's what's offered for the cards chosen:

1. **Travel Accident Insurance:** Reserve, CapOne Venture
2. **Trip Cancellation insurance:** Reserve, Platinum,
3. **Trip Delay Reimbursement / Protection:** Reserve, Platinum
4. **Lost Luggage Reimbursement:** Reserve, Platinum, Gold, Propel
5. **Rental Car Collision insurance:** Reserve, Platinum, Gold, Venture, Propel

How we picked the best travel credit cards

To determine our recommendations, 19 of the most popular travel rewards credit cards (listed below) were researched and selected based on the best monetary value for certain customer profiles, such as frequent fliers, those who spend a lot on dining and groceries, or those who are looking for an easy way to travel at a discount with miles earned on everyday spending. We always hold overall net value as paramount, since choosing the right rewards credit card is about saving money and being financially responsible, not being lured by perks or offers that are flashy or irrelevant.

To determine when a card makes financial sense, these cards were compared with the top no-fee cash back card for dining and travel, the Wells Fargo Propel. Since the Propel card gives cardholders 3% back on travel, transit, and dining with no fee, it was used as a baseline for judging the below cards.

Cards researched

1. Platinum Card from AmEx
2. Gold Card from AmEx
3. Chase Sapphire Preferred
4. Chase Sapphire Reserve
5. CapitalOne Venture
6. Capital One VentureOne
7. Bank of America Premium Rewards
8. PenFed Pathfinder Rewards Card
9. Uber Visa Card
10. BofA Travel Rewards
11. Discover It Miles
12. Virgin Atlantic World Elite Mastercard
13. Hilton Honors American Express Surpass
14. Marriott Bonvoy Boundless
15. JetBlue Plus
16. Alaska Airlines Visa Signature
17. United Explorer Card
18. Delta Reserve® Credit Card from American Express
19. Platinum Delta SkyMiles® Credit Card from American Express
20. Gold Delta SkyMiles® Credit Card from American Express

A note on airline credit cards

After considerable back and forth, we chose not to recommend a best airline credit card as part of this list. The five travel cards highlighted above will get you better point redemption value overall and will most often be your best option as a primary travel card, since you'll earn points from a variety of airlines. Some airline credit cards, however, can be valuable for certain spending habits, like those who always fly with one airline and usually check bags, and can therefore be worth their low annual fees (usually less than \$100) for some users.

Choosing the best airline credit card (co-branded or not) is subjective based on your loyalty to any particular airline. The values of perks like early boarding, seat upgrades, lounge access and airline status vary depending on which airline you're loyal to and how often you travel with them. In many cases, airline credit cards are chosen based on which airlines operate hubs at your nearby airport..

Even if you stick to one airline for all your flights, co-branded cards are tricky when it comes to extracting value. For example the Virgin Atlantic World Elite Mastercard from Bank of America offers 3X Virgin Atlantic Flying Club miles on Virgin purchases, and 1.5X Flying Club miles on all other purchases. With The Points Guy's most recent maximum valuation of 1.5 cents per mile, that means you can get up to 4.5% back on Virgin purchases and 2.5% on everything else, *when maximizing the value of those points*. Given the difficulty of finding a perfect redemption for a specific flight, we don't expect many users to maximize the redemption value every time.

Those rewards rates are decent, but remember that you can only redeem those miles on a short list of airline partners, and you'll rarely get top redemption value. Also, the best redemptions are often transcontinental flights in business or first-class, such as booking a \$4,000 round-trip ticket for \$2,000, which is a good deal but not relevant for most American consumers. Finally, since you're only getting the top reward rate (3X) when flying with that specific airline, you could potentially be spending more for certain flights than you would by bargain hunting. If you want to go from LAX to NYC, for example, and you spend \$100 more to fly on your airline of choice, you're sacrificing a significant portion of the rewards value you generate.

All that said, if you fly multiple times per month with the same airline, value the status upgrades with a specific airline and could potentially maximize the redemption value with longer flights or upper-class cabins, an airline card could be a good option for you. They can also be helpful for occasional loyalty fliers who would like to see the checked baggage fee waived (free checked bags are a common airline card perk), but only when they don't fly often enough to justify the high fee of a premium travel card. There are also scenarios where it makes sense to have an airline card and a non-co-branded card, but just make sure you're keeping an eye on annual fees and you're never letting points or miles expire.

A note on hotel credit cards

Hotel credit cards operate similarly to airline cards in that your best reward value comes when making purchases with that hotel chain, and your redemption options are limited. As with the co-branded airline credit cards, we don't recommend one hotel credit card over another and believe that the best travel rewards credit cards listed above outperform the co-branded cards in most scenarios. However, if you always book your hotel stays with one hotel chain, it could be worth taking a look at the cards available.

Another important factor to note with hotel cards is that the value of their points are much different than airline points or miles. Hilton Honors points, for example, are only worth .6 cents at the high end, so even though the Hilton Honors credit cards have high awards rates, the value of those awards is less than Chase Ultimate

Rewards points, American Express Membership Rewards points, or airline miles.

But for those who want to get a status upgrade (which usually comes with perks like free breakfast and room upgrades) with a hotel chain without having to spend above the standard threshold, a co-branded credit card will accelerate your progress and help you achieve a higher status with the chain for less spending. Just keep in mind that you're essentially paying for those upgrades in a different way and could be sacrificing spending value by not using another travel card.

What about APR?

APR stands for annual percentage rate, and it's the amount of interest you'll pay over the course of the year on any balance you keep on your credit card. Given that we highly recommend paying off the balance of your card in full every month, we don't look at APR too closely when assessing rewards credit cards.

If you have any trouble paying off your balance each month, start with cards that have a low APR and don't worry about rewards. Any reward you generate -- whether it's a cash back, travel rewards, or otherwise -- disappears quickly when you're paying interest each month. Also, remember that while some rewards credit cards offer an intro APR for the first year, usually 0%, the travel category typically does not.

Other types of cards to consider

If you don't meet the minimum spend recommended for any of the above cards, you might consider a cash back credit card instead. Cash back credit cards offer rewards in the form of statement credits or cash. These are fairly easy-to-use cards with rewards in the general range of 1.5% to 3%, often without an annual fee. They also offer sign-on bonuses, usually in the form of a specific amount back after a threshold spend in the first few months.

Other types of cards are more geared toward specific situations, such as balance transfer cards if you need to "re-structure" your credit card debt, credit-building cards like secured credit cards if you have a low credit score or no credit, low-APR credit cards if you have a tough time paying your bill off each month, or student credit cards for those who are full- or part-time students.

You finished reading the article "**The best travel credit cards of 2020**" edited by the [TipsMake](#) team. We hope this article has provided you with many useful tech tips and tricks. You can search for similar articles on tips and guides. Thank you for reading and for following us regularly.