

# What is PayPal?






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PayPal is an online tool for safely storing your card and bank account details so you don't have to type them into a website to shop or sell online. It acts as an intermediary, so you don't have to share your bank details with any third parties.

## PayPal's key benefits and features

- It's free to open a PayPal account.
- PayPal charges a small transaction fee (at the time of writing, 1.4-3.4% of the amount charged + 20p) to the seller of an item, but not the buyer. There are also fees charged for currency conversion.
- PayPal saves your bank details securely so you don't have to keep typing them into different websites. All you need is your email address and a password to make a payment.
- You can use PayPal on lots of websites, such as eBay, the charity donation site JustGiving, and small and large retailer sites - just look for the PayPal logo.
- When you buy using PayPal, the seller won't see your bank details, only PayPal's. If you don't receive an item, PayPal can help you track down the seller so that you can receive a refund. Most eBay purchases made through PayPal are covered by 'eBay Buyer Protection' insurance.
- If you use PayPal as a seller on eBay, you can receive payments without having to disclose your bank details. The buyer pays into your PayPal account, and PayPal passes on the funds to you, after removing its transaction fee.

## Next steps

-  [What is eBay?](#)
-  [How to use PayPal](#)
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