



An Extended Guide · No. 1995

PayPal for Beginners: Paying, Getting Paid & Protection

Set it up safely and use the
one switch that protects you

Tech Made Simple — Service Made Personal

BillsHomeTech.com · (330) 200-8042 · Atwater, Ohio

Free & printable — share it with someone who needs it



Book a visit —
billshometech.com/book

! Read this first — the one switch that protects you

When you pay for something you bought, always choose the 'Goods and Services' option, never 'Friends and Family.' That single choice is what turns on PayPal's buyer protection. Friends and Family payments have no protection at all — treat them like handing over cash, and use them only for actual friends and family, never for a purchase from someone you don't know.

PayPal, made simple

PayPal lets you pay online and get paid without handing your card number to every website. This guide covers setting it up safely, linking your money the right way, and understanding exactly what its protection does — and doesn't — cover.

I'm Bill, from Bill's Home Tech in Portage County, Ohio. PayPal is one of the oldest and most widely accepted ways to pay online, and once you understand a couple of key ideas, it's genuinely handy and safe.

We'll go slowly. By the end you'll know how to set up an account, link a card or bank the smart way, pay and get paid, and protect yourself with that one all-important 'Goods and Services' choice.

★ Setting up together is easy

If you'd like a hand creating your account or linking your bank safely, call or text me at (330) 200-8042. I'll make sure it's set up right from the start.

The whole guide, on one page

The essentials, if you remember nothing else.

- ❑ PayPal lets you pay sellers without sharing your card number with them.
- ❑ Link a credit card or bank; a credit card adds a second layer of protection.
- ❑ Buying something? Always choose 'Goods and Services' — that turns on buyer protection.
- ❑ 'Friends and Family' has NO protection — use it only for people you truly know.
- ❑ If a purchase goes wrong, you can open a dispute, generally within 180 days.
- ❑ PayPal will never email you a link demanding you 'verify' or 'your account is limited' — those are scams.

✓ The golden rule

Goods and Services for strangers; Friends and Family only for people you'd lend your car to. Get that right and you've got the most important part.

What PayPal actually is

A simple picture clears up most of the mystery.

PayPal is a middleman for payments. You link a card or bank account to PayPal once; then, when you buy from a website or person, PayPal pays them and the money comes from your linked source. The seller sees that you paid, but never sees your actual card or bank numbers.

That's the real appeal: you share your financial details with one trusted company instead of with every store and stranger. It's widely accepted online, handy for sending money to people, and — used correctly — comes with protection if a purchase goes sideways.

✓ Think of it as a buffer

PayPal sits between your money and the merchant like a buffer. Even if a shady site gets your PayPal login wrong, they still never touch your card number directly.

Setting up your account safely

A few careful choices at the start save headaches later.

- Sign up at the official PayPal website or app — type the address yourself; don't follow a link from an email.
- Use a strong, unique password you don't use anywhere else.
- Turn on two-step verification (a code to your phone) so a stolen password alone can't get in.
- Use your real name and accurate information — it matters for protection and disputes.
- Keep your email and phone number current, since that's how PayPal confirms it's you.

! Only ever log in by going to PayPal yourself

Nearly every PayPal scam starts with a link in an email or text. Make it a firm habit: to check your account, open your browser or the app and go to PayPal directly. Never log in through a link someone sent you.

Linking a card or bank — the smart way

How you fund PayPal affects how protected you are. Here's the honest comparison.

A credit card

Linking a credit card adds a valuable second safety net: if something ever gets past PayPal's own protection, your credit card company has its own strong dispute rights. For buying from people you don't know, a linked credit card is the most protected way to pay.

A bank account or debit card

Linking your bank lets you send and receive money and avoid credit-card fees, but a payment pulled straight from your bank has thinner after-the-fact protection than a credit card. Fine for trusted uses; less ideal as your only link for risky purchases.

✓ Many folks link both

Link a bank for receiving money and everyday sending, and a credit card for buying from sellers you don't know. Then you pick the safest source for each situation.

Paying for something online

At checkout on many websites, PayPal is just one of the payment buttons. Here's the flow.

- At checkout, choose the PayPal button.
- Log in to PayPal (by the trusted app or site), and confirm the amount and who you're paying.
- Choose which linked card or bank to pay from.
- Confirm — PayPal pays the seller, and you get a receipt by email.

When you're buying a product or service, this is automatically a Goods and Services payment, which carries buyer protection. The 'Friends and Family' option only appears when you send money directly to a person — and that's where people get into trouble.

! A seller who insists on 'Friends and Family' is a red flag

If someone selling you something asks you to send as 'Friends and Family' to 'avoid fees,' refuse. They're really asking you to give up all your buyer protection. A legitimate seller accepts a Goods and Services payment.

Getting paid by someone

Receiving money is simple, with one thing to understand about fees.

When someone sends you money, it lands in your PayPal balance, and you can move it to your linked bank. A standard transfer to your bank is free and takes a day or so; an instant transfer typically costs a small fee — the amount can change, so check what PayPal shows before you confirm.

If you're being paid for selling something (a Goods and Services payment), PayPal takes a small cut as a fee, the way any card processor does. Money sent to you as Friends and Family from a bank or balance usually arrives with no fee.

✓ Standard transfer saves the fee

If you're not in a rush to move money to your bank, choose the free standard transfer and skip the instant-transfer fee. A day's patience keeps a little money in your pocket.

What buyer protection really covers

This is the part worth reading twice, because it's widely misunderstood.

PayPal's Purchase Protection can refund you in two main situations on eligible Goods and Services purchases: you paid but never received the item, or what arrived was significantly different from what was described. If either happens, you can open a dispute — generally within 180 days of paying — and PayPal investigates.

But it only applies to Goods and Services payments, not Friends and Family. And it doesn't cover everything: many categories — things like vehicles, real estate, and certain custom or specialty items — can be excluded. Before you lean on protection for a big or unusual purchase, check PayPal's current list of what's covered.

! Protection is only as good as how you paid

You can only claim buyer protection if you paid Goods and Services through PayPal. Paid a stranger as Friends and Family, or sent cash outside PayPal? There's no PayPal refund path. The payment method is the protection.

If a purchase goes wrong

Knowing the steps ahead of time takes the fear out of it.

- First, contact the seller through PayPal's Resolution Center — many issues get sorted directly.
- If that stalls, escalate it to a claim and let PayPal decide.
- Keep records: the listing, messages, tracking, and photos of anything that arrived wrong.
- Act promptly — there's a window (generally 180 days) to open a dispute.

If you paid with a linked credit card and PayPal's decision disappoints you, you may still be able to dispute the charge with your credit card company as a last resort — another reason a credit card link is valuable.

★ I'll help you prepare a claim

Disputes feel intimidating, but they're mostly about laying out the facts clearly. I can't act as your lawyer, but I'm glad to help you gather your records and open the claim. Call (330) 200-8042.

Two ways people come to this — and both are fine

Some folks mainly buy things online and want to shop safely; others mainly send and receive money with people they know. The safety ideas differ a little for each.

If you mostly buy things online

Your priority is protection on purchases, especially from sellers you don't know.

- Always pay Goods and Services, and favor a linked credit card.
- Keep receipts and know the 180-day dispute window exists.
- Be suspicious of any 'deal' that asks for Friends and Family payment.

If you mostly send money to people

Your priority is sending to the right person without fuss — and not getting tricked.

- Double-check the name and email before sending; money can be hard to claw back.
- Use Friends and Family only for people you truly know and trust.
- Ignore surprise 'you've been paid, now refund the extra' requests — a classic scam.

★ **Whichever you are, I can set you up safely**

Buying or sending, the setup that keeps you safe is quick to get right. Call (330) 200-8042 and we'll tailor it to how you actually use it.

The PayPal scams to know

Crooks love PayPal's trusted name. Here are their favorite moves — and how calm you can stay once you know them.

- **'Your account is limited'** emails with a link to 'verify.' Fake. Go to PayPal directly instead.
- **Fake payment confirmations** ('You've received \$500') pushing you to ship an item or send a refund. Check your real PayPal balance, not the email.
- **Overpayment scams:** a 'buyer' sends too much and asks you to refund the difference — then the original payment vanishes.
- **'Send Friends and Family to avoid fees'** from a seller — a trick to strip your protection.

! Verify inside the real app, never from the message

Every one of these falls apart the moment you ignore the email and check your actual account by opening PayPal yourself. If a message and your real account disagree, the message is lying.

Keeping your account secure

A few habits make your account a hard target.

- ❑ A strong, unique password, and two-step verification turned on.
- ❑ Log in only by going to PayPal yourself, never via a link.
- ❑ Review your linked cards and bank now and then; remove any you don't use.
- ❑ Check your email for PayPal receipts so you'd notice an unexpected payment.
- ❑ Keep your phone and computer locked and updated.

★ A security once-over

I'm glad to sit down and check your PayPal security settings — password, two-step, linked accounts. Fifteen minutes for real peace of mind. Call (330) 200-8042.

Fees, in plain English

PayPal is free for most everyday personal use, with a few spots where a fee applies.

Sending money to friends and family from your PayPal balance or linked bank is typically free. Buying from a seller is free to you — the seller pays the processing fee, as with any card. Fees tend to show up when a business receives a payment, when money is funded by a credit card in certain personal sends, or when you choose an instant transfer to your bank.

The exact fee amounts can change, so the reliable move is to look at what PayPal shows you on the screen before you confirm anything. It always spells out any fee before you commit.

✓ Read the screen before you tap confirm

PayPal shows the fee, if any, right before you finish. A two-second glance there means you never get surprised — and can pick a free option when one exists.

Common mistakes to avoid

Steer clear of these and PayPal stays simple and safe.

- **Paying a stranger as Friends and Family** — it throws away all your protection.
- **Logging in through an emailed link** — the number-one way accounts get stolen.
- **Refunding an 'overpayment'** to a buyer — almost always a scam.
- **Ignoring the dispute window** — act within the time limit if a purchase goes wrong.
- **Linking only a debit card** for risky buys — a credit card gives a stronger backstop.

! The one that costs people most

Sending Friends and Family to a stranger for a purchase is the mistake that empties wallets, because there's no way to get it back. If it's a purchase, it's Goods and Services — no exceptions.

How PayPal compares to the others

A quick sense of where PayPal fits among the payment apps.

PayPal's standout feature is buyer protection on Goods and Services purchases — a real safety net that cash-style apps like Zelle don't offer. That makes it a strong choice for buying from sellers you don't know, especially with a credit card behind it.

For sending money to people you trust, PayPal works fine, though many folks find a bank's built-in Zelle or a tap-to-pay app simpler for that. The rule of thumb: PayPal (Goods and Services) for buying from strangers; whatever's easiest for sending to people you know.

✓ Right tool, right job

You don't have to pick just one app. Use PayPal's protection when you're buying from someone unknown, and lean on simpler tools for paying people you trust.

Helping a parent use PayPal safely

If you're setting PayPal up for a relative, a few touches keep them safe and confident.

Link a credit card for their purchases, turn on two-step verification, and write down the single most important rule in big letters: 'For buying, always choose Goods and Services. Never Friends and Family to someone I don't know.' That one note prevents the costliest mistake.

Also warn them, gently and ahead of time, about the 'your account is limited' and 'overpayment refund' scams, so a scary email finds them prepared rather than panicked.

★ I set parents up with guardrails

I'm glad to get a relative started on PayPal with the safe settings and a simple cheat sheet they'll actually use. Call (330) 200-8042.

If PayPal really does limit your account

Sometimes the 'account limited' message is real — here's how to tell and what to do.

PayPal occasionally restricts an account when it sees something unusual and wants to confirm it's really you or clear up a dispute. The honest way to check is to ignore any email link and log in to PayPal directly — if there's a genuine limitation, you'll see it and the steps to resolve it right there in your account.

Follow the on-screen instructions inside your real account, which usually means confirming your identity or providing a document. Never act on the email's link or a phone number from the email; use only what you see after logging in yourself.

! Real or fake, the safe check is the same

Whether the 'limited account' message is genuine or a scam, the correct move is identical: don't click the message — open PayPal yourself and look. That habit protects you every time.

A word on records and taxes

For most personal use this won't apply, but it's worth a calm mention.

If you only use PayPal to shop and to send money to friends and family, there's no tax angle — personal gifts and reimbursements aren't income. It's only if you sell goods or services through PayPal that income-reporting rules can come into play, and even then only above a reporting threshold.

If you do sell, keep simple records of what you sold and what it cost you. We cover the payment-app tax question in its own guide; the short version is that occasional personal transfers are nothing to worry about.

✓ Personal use is tax-nothing

Splitting a dinner, repaying a friend, or receiving a birthday gift through PayPal isn't taxable income. The tax talk only concerns actual selling.

Your PayPal safety checklist

Keep this by the computer.

- ☐ Strong, unique password and two-step verification on.
- ☐ A credit card linked for buying from strangers.
- ☐ I always choose Goods and Services for purchases.
- ☐ I only log in by going to PayPal myself.
- ☐ I know the dispute window is about 180 days.
- ☐ I ignore 'verify your account' and 'refund the overpayment' messages.

★ Want me to check your setup?

If any line here is unfamiliar, let's go through it together. A safe PayPal setup is quick to get right. Call (330) 200-8042.

Common Questions

The PayPal questions I hear most, answered plainly.

Q: What's the difference between Goods and Services and Friends and Family?

Goods and Services is for buying — it carries buyer protection and the seller pays a fee.

Friends and Family is for sending money to people you know — no fee from your balance or bank, but NO protection. Never use Friends and Family to pay a stranger for a purchase.

Q: How long do I have to dispute a bad purchase?

Generally 180 days from the payment for Goods and Services purchases. Start in PayPal's Resolution Center, and act promptly so you don't miss the window.

Q: Is it safer to link a credit card or my bank?

A credit card adds a strong extra layer of dispute rights on top of PayPal's own protection. For buying from people you don't know, a credit card is the safer link.

Q: I got an email saying my account is limited — is it real?

Maybe, maybe not — but don't click it either way. Open PayPal yourself and log in; if there's a real issue, you'll see it and the steps to fix it there. Most such emails are scams.

Q: Does PayPal cost money to use?

For buyers it's generally free; sellers pay a processing fee. Fees can apply to instant bank transfers and some credit-card-funded sends. PayPal shows any fee before you confirm, so check the screen.

★ Still have a PayPal question?

Call or text me at (330) 200-8042 and I'll give you a straight answer in plain English. No jargon, nothing to sell.

The quick recap

PayPal in one glance.

- ❑ PayPal pays sellers without sharing your card number.
- ❑ Buying? Always Goods and Services — that's your protection.
- ❑ Friends and Family = no protection; use it only for people you know.
- ❑ Link a credit card for buying from strangers.
- ❑ Disputes: start in the Resolution Center, within about 180 days.
- ❑ Log in only by going to PayPal yourself.
- ❑ Ignore 'verify' and 'refund the overpayment' messages.

✓ You've got the essentials

Master that one Goods-and-Services habit and the scam awareness, and PayPal becomes a genuinely safe, handy way to pay online.

You don't have to do this alone

You just have to remember that a friendly, patient person is one call away.

I hope this guide made getting comfortable with PayPal feel a little less daunting and a lot more doable. Keep it in a drawer with your other home papers, come back to a page whenever you need it, and don't worry about memorizing anything.

When you'd rather have a hand, that's exactly what I do. I come to your home, work at your pace, and never make you feel rushed or silly for asking. A first visit is a flat \$99, and for the parts that don't need me on-site I can often help right on your screen for \$49. Every visit comes with a 30-day, come-back-free guarantee. I'm a tech helper, not a bank, a lawyer, or a financial advisor — for disputes, taxes, or legal questions I'll help you reach the right people and prepare what you need.

★ Bill's Home Tech — real help, close to home

Call or text me at (330) 200-8042, or visit BillsHomeTech.com. Serving Atwater and all of Portage County. 30+ years of patient, plain-English tech help — and if you're ever not 100% happy with a visit, I'll make it right or refund it. That's a promise. — Bill

The Choice That Protects You

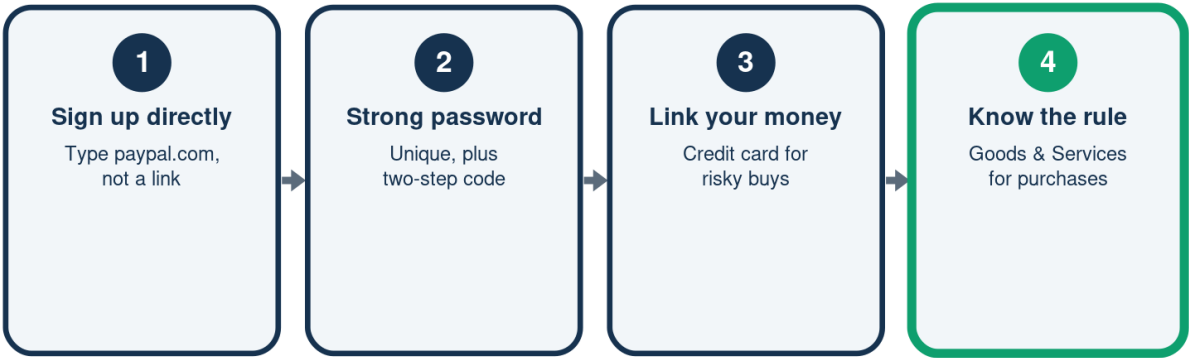
Goods & Services vs. Friends & Family

	Goods & Services	Friends & Family
Use it for	Buying things	People you know
Buyer protection	Yes	None
Who pays a fee	Seller	Often no fee
Pay a stranger?	Yes, safely	Never

For any purchase from someone you don't know: Goods & Services.

Setting Up Safely

Four steps to a safe account



Only ever log in by going to PayPal yourself – never via email.

What Protection Covers

On eligible Goods & Services purchases

	Covered	Not covered
Never arrived	Yes	--
Not as described	Yes	--
Friends & Family	--	No protection
Some categories	--	Can be excluded

Window is generally 180 days. Check PayPal's current exclusions.

Is This PayPal Message Real?

A calm way to tell



If a message and your real account disagree, the message is lying.

Illustration - a schematic, not to scale. Your setup may differ.



Need a Real Person?

You do not have to remember all of it.
You just have to remember you can call.
Friendly, in-home tech help -- I come to you.

BILL'S PROMISE

If you are not 100% happy with a visit, I will
make it right -- or refund it. No awkwardness,
no fine print. That is how I would want to be treated.

(330) 200-8042 · BillsHomeTech.com

Bill@BillsHomeTech.com · Mon–Sat 9:00 AM – 7:30 PM

— Bill

Prefer help without a visit?

Bill can screen-share and fix many things remotely — a flat \$49, free for Support Plan members.



A Note From Bill

A quick note from Bill.

I write these guides to make home tech a little less frustrating, and I do my best to keep every step accurate and up to date. Still, every home, device, and setup is a bit different, so I can't promise a guide will match yours exactly or fix your particular problem. These guides are for general information only — they're not professional, legal, or financial advice, and they don't replace your device's own manual or the manufacturer's instructions. Please go slow, use your own good judgment, and use everything here at your own risk. If a step involves electrical wiring, a gas appliance, a water heater, plumbing, or climbing a ladder — or if anything just doesn't feel safe — please stop and call a licensed professional (or give me a call at 330-200-8042). Bill's Home Tech and Bill Davis can't be responsible for any damage, data loss, or injury that comes from using these guides. Thanks for reading, and stay safe out there.

— *Bill*



Book a visit —
billshometech.com/book

Use of these guides is subject to our Terms of Use (billshometech.com/terms-of-use).

(330) 200-8042 · BillsHomeTech.com

Bill@BillsHomeTech.com · Mon–Sat 9:00 AM – 7:30 PM

For general information only — not professional advice. Use at your own risk. For electrical, gas, water, or ladder work, please call a licensed professional. — Bill's Home Tech