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With one-man firms comprising roughly 40% of the accounting services industry, according to IBISWorld, and around one-third of all CPAs admitting to a bit of moonlighting in a 2008 Bay Street Group survey, it's clear that a large segment of the industry has more than just its clients' small business needs to deal with. As such, it's important for any independently-operating CPA to understand the inherent

Yet despite having their personal credit reports pulled for underwriting purposes and being held personally liable for account balances, small business credit card users inexplicably aren't covered under the scope of this landmark law. Rather, its provisions – including that which bans issuers from increasing interest rates on existing balances unless a cardholder is at least 60 days delinquent – only applies to general-consumer credit cards.

This curious legislative distinction can be chalked up to the effectiveness of the banking industry's lobbying efforts, according to Dr. Peter Nigro, Sarkisian Chair in Financial Services at Bryant University. "Politicians wanted to appease the credit card companies and give them another revenue stream that was taken away by new consumer regulations," he told CardHub in a recent interview. "Sad but true."

Threatening Debt Stability

Regardless of the rationale, the credit card market's regulatory imbalance is important for two main reasons. First, if you're going to get a credit card for business, it's only logical to gravitate toward business-branded products. Second, 31% of small businesses use a credit card or line of credit as their primary financing source, according to the Federal Reserve Bank of New York. In other words, a large segment of the small business community carries debt on a business credit card, unaware of the fact that card issuers are still able to jack up interest rates on their revolving balances whenever the mood strikes them.

You don't need to be an accountant to recognize the importance of debt stability, but since most of you are likely CPAs, you're acutely aware of the impossibility of allocating funds and effectively managing risk without a clear idea of how much your monthly debt payments will be in the future.

Luckily, much like there is no liability disadvantage to using a personal credit card

The above, however, doesn't mean you should disregard business credit cards altogether, as they far outperform their general-consumer counterparts when it comes to everyday expense management. Not only do business credit cards tend to offer heightened rewards in key purchase categories such as office supplies and telecommunications services, but they also provide unique expense tracking features. More specifically, they enable you to give employees their own cards with customized spending limits and make company accounting far easier by providing quarterly and year-end expense reports segmented by purchase category, thereby supporting budgeting efforts and enabling quicker tax preparation.

Bottom Line: The Perks of a Two-Card System

Ultimately, it should be clear that leveraging a two-card system (i.e. a 0% general-consumer card for funding and a business rewards card for everyday expense management) is the most strategic way to approach small business spending. Not only does it enable you to garner debt stability and prevent overspending, but it also gives you the opportunity to amass a far more attractive collection of account terms than would be attainable with any single credit card.

So, whether you're looking for a way to improve your own practice's profit margins or a client tip that will make your life easier come tax preparation time, consider the potential benefits of a credit card strategy adjustment. Like accounting, credit cards aren't a sexy topic, but they can certainly prove valuable when used right.

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