

Understanding Your Insurance

Personal Or Commercial Car Insurance: Which Is Right For You?

(NAPS) If, like many Americans, your family car is also used for purposes that could be considered commercial use, you may want to steer yourself into a chair and look over your insurance policy.

You will need to consider buying a commercial policy or making sure that your existing personal auto policy covers the vehicle for business use. Whether or not you need a commercial policy depends on how you use your vehicle and what company you have it insured with. Every company has different guidelines and may surcharge for business-use coverage on a personal auto policy.

If you're not sure whether business use is covered on your personal policy, it's important to call your insurance company or agent. The Progressive Group of Insurance Companies has put together these four questions you may want to ask:

- **How do companies determine commercial use?** One definition could include "engaging in transporting goods for compensation or a fee," which includes pizza or newspaper delivery, catering, door-to-door consulting services, landscaping or snowplowing services, logging business, day care/church van services or farm-to-market delivery. People who do these kinds of work should consider purchasing a commercial vehicle policy.
- **Do you need more liability coverage than a personal auto policy provides?** Generally, a commercial auto policy offers higher limits of liability, but less or no coverage in areas that are typically not associated with commercial auto risks.
- **Do you need special coverage for situations encountered while conducting business?** Commercial auto policies usually offer these coverages, and they're normally not available with personal auto policies. These include hired and nonowned auto coverage and coverage for towing a trailer for business use.

- **Do you need to list any employees as drivers?** Commercial auto policies allow you to list anyone that you employ. You don't have that option with a personal auto policy. In general, you'll need commercial auto coverage if the vehicle you use is owned by a corporate partnership or driven by employees, or if it's used to haul tools or equipment weighing more than 500 pounds, make deliveries or heavy enough to require state or federal filings.

For more information about commercial auto insurance, call **USA INSURANCENET** today **786-293-3637**

Did You Know?

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