THE PENNY HOARDER 2026 STATE OF DEBT REPORT: SUMMARY OF FINDINGS

The top five reasons for current debt:

- 21% Rising cost of living/inflation
- 17% Income isn't high enough to cover expenses
- 9% Unexpected emergencies (medical bills, car repairs, etc.)
- 8% Credit card spending/lifestyle choices
- 5% Student loans or education costs

31% of respondents said "I'm not currently in debt."

Who do you primarily blame for your current debt?

- 35% Myself
- 18% The economy/inflation
- 5% Government policies
- 4% My employer/low wages
- 4% No one — I view debt as a normal part of life

How your debt makes you feel:

- 29% Stressed
- 16% Anxious
- 12% Motivated to improve my finances
- 5% Embarrassed
- 5% Defeated

Have you ever done any of the following because of your debt?

- 16% Lost sleep worrying about debt
- 12% Ignored calls or messages from creditors
- 10% Hidden debt from family
- 9% Cried because of debt-related stress
- 5% Hidden debt from a partner/spouse

THE PENNY HOARDER 2026 STATE OF DEBT REPORT: SUMMARY OF FINDINGS

In the past 12 months, how has the cost of your rent or mortgage impacted your household budget?

- 29% My housing costs increased significantly, forcing me to cut back on other essentials like food and health care.
- 31% I spend more than 30% of my total monthly take-home pay on rent or my mortgage payment alone.

Breakout stat: Among Americans 45 and older, 46% say their housing costs are stable and manageable. Millennials are least likely to describe their housing costs as stable and manageable (31%).

In the past 12 months, which of the following have you charged to a credit card because you could not afford to pay for them any other way?

- 24% Groceries
- 14% Utilities (electricity, water, gas)
- 14% Transportation (car payments, fuel, maintenance, public transportation)
- 13% Medical care or prescriptions
- 6% Rent payment

Household's total debt balance (excluding mortgage):

- 35% $1 to $9,999
- 32% $10,000 to $99,999
- 5% $100,000 or more

Largest source of debt (excluding mortgage):

- 31% Credit card debt
- 13% Student loans
- 9% Auto loans
- 8% Medical or dental debt
- 7% Personal loans or cash advances

THE PENNY HOARDER 2026 STATE OF DEBT REPORT: SUMMARY OF FINDINGS

If you were forced to miss a payment next month due to financial strain, which of the following would you skip FIRST:

- 35% Credit card bill
- 25% Medical bill
- 5% Auto loan payment
- 4% Mortgage payment
- 4% Rent payment

Current usage of Buy Now, Pay Later services to purchase essentials like groceries or household supplies:

- 11% Frequently (Multiple times a month)
- 21% Occasionally (A few times a year)
- 17% Rarely
- 51% Never

Breakout stat: 46% of Gen Z (18-29) use BNPL as least a few times a year to purchase essentials like groceries or household supplies

Strategies used in the past 12 months to handle debt or expenses:

- 16% Borrowed money from friends or family members
- 14% Started a side hustle to make additional money specifically to cover the expense or pay off debt
- 9% Opened a 0% APR credit card to for a balance transfer
- 9% Taken out a personal loan to pay off debt
- 6% Dipped into a 401(k) or retirement account early
- 5% Used a home equity line of credit or loan to pay off debt
- 5% Used a payday loan or cash-advance app
- 2% Used a credit counseling service (e.g. National Foundation for Credit Counseling)
- 2% Used a debt settlement company (e.g. National Debt Relief)
- < 1% Declared bankruptcy

THE PENNY HOARDER 2026 STATE OF DEBT REPORT: SUMMARY OF FINDINGS

Percentage of monthly take-home pay going toward your debt payments (excluding primary mortgage):

- 30% — Less than 10%
- 52% — 10% to 50%

How credit card balance(s) are managed from month to month:

- 34% pay statement balances in full every month
- 25% typically pay off balances within a year
- 20% carry a rolling balance from month to month
- 5% use a 0% APR promotional or balance-transfer window
- 16% do not currently have or use credit cards

Breakout stat: 20% of 18- to 29-year-olds do not currently have or use credit cards, compared to all other age groups, which average 14%

In the past 12 months, actions taken due to concerns over medical costs or existing medical debt:

- 16% Skipped a recommended medical test, treatment or follow-up appointment
- 16% Delayed or avoided going to the emergency room or urgent care during an illness/injury.
- 11% Cut pills in half, skipped doses or declined to fill a prescription.
- 16% Relied on over-the-counter remedies or home treatments to avoid seeing a doctor.

Breakout stat: 18.90% of Americans with household incomes less than $55K say they've delayed or avoided going to the emergency room or urgent care during an illness/injury

If you have an auto loan, how do you view your current monthly car payment?

- 15% Completely manageable
- 18% Manageable, but it prevents me from saving money
- 11% Stretching my budget to the absolute limit
- 3% I am currently behind on my loan and/or at risk of having my vehicle repossessed

THE PENNY HOARDER 2026 STATE OF DEBT REPORT: SUMMARY OF FINDINGS

What is your monthly vehicle payment?

- 50% — Less than $500
- 23% — $500–$749
- 8% — $750–$999
- 5% — $1,000 or more

Breakout stat: 22% of households earning less than $55K per year have monthly vehicle payments of $500 or more

Delayed or canceled specifically because of debt:

- 23% Saving for retirement
- 14% Buying a home
- 10% Switching careers or starting a business
- 9% Having children or expanding my family
- 7% Getting married

Realistically anticipate when your household will be completely debt-free (excluding primary mortgage):

- 26% I am already completely debt-free
- 50% In less than 10 years
- 11% in 11 to 30 years
- 13% I never anticipate being debt-free during my lifetime

Methodology

The Penny Hoarder surveyed 1,000 U.S. adults in June 2026 using Pollfish, a mobile survey platform. Respondents opted in to participate and were informed the survey included questions related to debt. All participants provided consent. Results were post-stratified to align with the U.S. adult population by age, gender, region, and income. Except for a question about the largest debt category, responses in regards to student loans were excluded in the results because the survey was conducted before the new federal student loan plan took effect.