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•**Editor**

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The share of Americans rolling their credit card debt from month-to-month is for the first time higher than the portion who pay their bill in full, according to a new survey.

J.D. Power found that 51% of Americans can't pay off their entire balance each month and instead let it revolve to the next month, accruing interest, according to its [annual credit card satisfaction survey](#). The remaining 49% — called transactors — can pay their bill in full each month.

That's troubling because from 2018 to 2022, the percentage of those rolling over balances ranged from 40% to 50%, according to J.D. Power.

"What we have not seen in the past is there are more revolvers than transactors," John Cabell, managing director of payments intelligence at J.D. Power, told Yahoo Finance. "It's inflation, it's savings dwindling, we're also seeing rising interest rates, which makes it harder to pay off that balance because it's getting bigger."

[Read more: What the Fed rate hike means for credit cards](#)

J.D. Power surveyed 31,418 credit card customers from August 2022 through June 2023.

The role reversal also comes as credit card interest rates remain near 40-year highs. Americans have also racked up a record high amount of credit card debt, and delinquencies are inching up.

Two separate indicators this month showed that Americans have piled on \$1 trillion in credit card debt — a first. Total credit card balances and other revolving accounts hit \$1 trillion the week of July 26, the [Federal Reserve Bank of St. Louis](#) reported, while outstanding credit balances hit \$1.03 trillion in the second quarter, according to data from the [Federal Reserve Bank of New York](#).

Both were highs for each.

The average balance on a credit card was \$2,573 in June, up 6.5% from a year ago, according to [credit scoring company FICO](#). Even more concerning, the percentage of accounts past due by one cycle increased 42.6% in the past two years—and is at the highest level since September 2017.

At the same time, the average annual percentage rate on credit cards is 20.60%, according to [Bankrate](#), the highest since 1985 when the company first started tracking the data.

Cabell said the choice to revolve balances may not be a choice at all for many folks as inflation over the past year or so ate into budgets. The survey found that of those who were classified as "financially unhealthy," 69% roll their balances over from one month to the next. Financial health was measured by a consumer's spending/savings ratio, creditworthiness, and safety net items like insurance coverage.

Many other experts have also worried that the end of the student loan payment pause may mean [younger adults will rely even more on credit cards](#).

[Read more: Worried about when student loan repayments resume? These programs could help](#)

"Pandemic savings are dwindling," he said. "Consumers are using their card for a lot of everyday purchases. Grocery

shopping is the lead purchase type that consumers say they are making."



An air traveler uses a credit card to pay for items Jan. 28, 2022 at a retail shop in John F. Kennedy International Airport in New York City. (Photo by Robert Nickelsberg/Getty Images)

One way consumers could mitigate ballooning credit card balances is to consider installment payment plans offered by

certain credit card companies. Chase, American Express, and Citi, for instance, provide the option to convert credit card transactions to a lower interest rate and payment plan after the fact, Cabell said.

But few consumers use them or even know about them. The survey found usage varying from 9% to 23%, with financially healthy, but overextended cardholders among those using these plans the most.

"As you see inflation, as you see savings dwindle, as you see interest rates go up, these payment plans should become more of a focus for people looking for a way to not pay double-digit interest rates on what they owe," Cabell said.