

Bankrate

37% of Americans Tapped Emergency Savings in the Past Year

Unplanned emergency expenses, monthly bills, and day-to-day expenses are the most cited reasons

NEW YORK - March 26, 2025 - Over one-third (37%) of Americans tapped their emergency savings in the past year, according to a new Bankrate survey. The most cited reasons for tapping into emergency savings include unplanned emergency expenses, monthly bills, and day-to-day expenses, and in all, 80% of those tapping their emergency savings did so for one of those essentials. Click here for more information:

<https://www.bankrate.com/banking/savings/emergency-savings-report/>

Of those who tapped their emergency savings in the past year, about half (51%) say it was for an unplanned emergency expense such as a medical bill or car repair. Additionally, 38% say it was for monthly bills such as rent or utilities, and 32% say they used it for day-to-day expenses such as food or supplies. More than 1 in 5 (22%) used the money to help a family member or friend, and 21% used it to pay down debt.

Generationally speaking, millennials (ages 29-44) were more likely than any other age group to have tapped into their emergency savings in the past year, at 42%. Comparatively, 38% of Gen Xers (ages 45-60), 34% of Gen Zers (ages 18-28), and 33% of baby boomers (ages 61-79) say the same.

“More than half of Americans who tapped their emergency savings in the past year did so for an unplanned emergency expense, exactly what it is there for,” said Bankrate Chief Financial Analyst Greg McBride, CFA. “But alarming percentages used those withdrawals for monthly bills and day-to-day expenses, indicating possible variability of household income or potential strain on household budgets.”

About 1 in 5 Americans who needed to use their emergency savings in the last year (19%) say they did so for non-essential expenses, including paying for a vacation (9%), discretionary shopping (10%), or a discretionary experience (7%). Only 6% used the funds for something else, and 1% say they didn't know how the funds were used. Younger generations were significantly more likely than older generations to have used

emergency savings for a non-essential reason, with 27% of both Gen Zers and millennials saying they did so, compared to 13% of Gen Xers and only 9% of baby boomers.

When needing emergency savings, it tends to be a meaningful amount of money, with more than a quarter (26%) of Americans who needed to use their emergency savings over the last year saying it was between \$1,000 and \$2,499. Furthermore, 22% said it was between \$500 and \$999, 18% said less than \$500, 15% said \$5,000 or more, and 14% said between \$2,500 and \$4,999. Finally, 2% said they didn't know how much, and 4% declined to say.

“Unpredictable expenses or fluctuating income can make access to emergency savings a regular occurrence – or result in costly credit card debt without it,” added McBride. “With more than half withdrawing from their emergency savings needing at least \$1,000, it underscores the advantage of a high-yield savings account where money is liquid and can be accessed at any time without penalty.”

Methodology:

This survey has been conducted using an online interview administered to members of the YouGov Plc panel of individuals who have agreed to take part in surveys. All figures, unless otherwise stated, are from YouGov Plc. The total sample size was 3,480 U.S. adults. Fieldwork was undertaken between February 11-14, 2025. The survey was carried out online and meets rigorous quality standards. It gathered a non-probability-based sample and employed demographic quotas and weights to better align the survey sample with the broader U.S. population.

About Bankrate:

Bankrate has guided savers and spenders through the next steps of their financial journeys since 1976. Whether it's rates or information on mortgages, investing, credit cards, personal loans, insurance, taxes or retirement, the company offers various free resources to help consumers reach their goals. From product comparison tools to award-winning editorial content, Bankrate provides objective information and actionable next steps. Bankrate also aggregates rate information from over 4,800 institutions on more than 300 financial products, with coverage in more than 600 local markets. It's why over 100 million people put their trust in Bankrate every year.

For more information:

Abby Yarber

Public Relations Specialist

abby.yarber@bankrate.com

(704) 697-1372