



67% Receiving Stimulus Payment Say It's Important to Their Near-term Financial Situation

More than 6 in 10 say it won't last more than three months; Paying monthly bills and day-to-day essentials most common uses

NEW YORK – April 14, 2020 – Two thirds (67%) of Americans who have received or anticipate receiving the new stimulus payment say it's important to their near-term financial situation, according to a new study from Bankrate.com. This response remains elevated, though down from 71% that said so in January and 80% in March 2020. For more information, click here:

<https://www.bankrate.com/surveys/stimulus-check-survey-april-2021/>

The recipients most likely to say the stimulus payment is important to their well-being include women (70% vs 63% of men), Gen Xers (72%, ages 41-56), those under age 40 (68%), and younger boomers, (68%, ages 57-66). Just 55% of those age 67-higher are likely to say the same.

Notably, those among the highest earning households (\$80,000 or more annually) are also feeling the impact of the pandemic on their wallet, with nearly half (48%) saying the stimulus money is important to their near-term financial situation. By contrast, 84% of those earning less than \$30,000 annually, 77% of those earning \$30,000-\$49,999 annually, and 65% of those earning \$50,000-\$79,999 annually say the same.

Even with the higher payment amount of \$1,400 compared to the previous stimulus payment of \$600, more than 6-in-10 (61%) believe this money will sustain their financial well-being for less than 3 months. Many have a more dire financial outlook, with 34% saying the extra funds will sustain them for less than one month, including 14% who believe the stimulus payment won't help them sustain their financial well-being at all. Gen Xers (39%) and younger baby boomers (37%) were most likely to say the money would not even sustain their financial well-being for one month, but every age group had at least 30% responding this way.

How recipients plan to use some or all their stimulus payment compared to Bankrate's previous polls:

	April 2021	January 2021	March 2020
Monthly bills	45%	42%	50%
Day-to-day essentials	36%	32%	41%
Paying down debt	32%	25%	25%
Adding to savings	28%	30%	30%
Discretionary/nonessential spending	13%	8%	8%
Invest it	11%	6%	7%
Charity	7%	Not offered	Not offered

Something else	10%	8%	7%
Don't know	6%	5%	6%

* Respondents could choose more than one response.

With so many Americans still in financial recovery mode, the top uses of the payment continue to be monthly bills (45%) - such as rent/mortgage or utilities, and day-to-day essentials (36%) - such as food, supplies.

“Stimulus continues to be a bit of a misnomer, with households predominantly using the money to pay monthly bills and provide day-to-day essentials. Even households with those bases covered are opting to pay down debt and boost savings – prudent decisions that lead to more sustained spending in the future,” said Bankrate Chief Financial Analyst, Greg McBride, CFA.

Women more likely than men to use the money to pay monthly bills (49% vs 41%) or for day-to-day essentials (40% vs 32%) while men were more likely to pay down debt (37% vs 29%) or invest the proceeds (15% vs 7%).

Half or more of older millennials (53%, age 32-40), Gen Xers (50%), and Gen Zers (50%, age 18-24) are using the stimulus money to pay monthly bills, compared to just 31% of those age 67-higher. It was similar for day-to-day essentials with more than four in 10 Gen Zers (45%) and older millennials (44%) using stimulus payments in this manner compared to just 26% of those age 67-higher. Gen Xers (40%), older millennials (37%), and younger baby boomers (36%) led the way in using at least some of the money to pay down debt. Recipients age 40 and under (20%) were four times more likely to invest the money than those above age 40 (5%).

Households with income under \$30,000 annually were the most likely to use the stimulus money for monthly bills (56%) and day-to-day essentials (48%) and least likely to add to savings (19%). For all income brackets, using money for monthly bills was the most common use cited.

Bankrate.com commissioned YouGov Plc to conduct a consumer survey. Total sample size was 2626 adults, among whom 1794 had received or were expecting to receive stimulus funds. Fieldwork was undertaken on March 24-26, 2021. The survey was carried out online and meets rigorous quality standards. It employed a nonprobability-based sample using both quotas upfront during collection and then a weighting scheme on the back end designed and proven to provide nationally representative results.

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