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Editorial Note: We earn a commission from partner links on Forbes Advisor. Commissions do not affect our editors' opinions or evaluations. Whether you're a first-time credit card user or you've been using plastic for everyday purchases all your adult life, managing your credit card responsibly is crucial. Paying your bill on time each month will save you headaches and unnecessary costs—which will multiply if you don't. Sounds simple, right? Yet, when you pay your credit card bill, you might notice two balances listed: a "statement balance" and a "current balance." So what's the difference? How much do you owe? And which should you pay? Credit Card Statement Balance vs. Current Balance What Is a Statement Balance? Your statement balance is an overview of all purchases and payments made during one billing cycle. Every credit card has a billing cycle—which can vary among card issuers. You can check your billing cycle details in your cardholder agreement to be sure, but a typical billing cycle is around 30 days. Your due date won't usually align with the first or 30th of each month. This might cause confusion if you plan your budget to coincide with the beginning and end of every month. Whenever your billing cycle ends, your bill (your credit card statement) is generated. Once your statement is generated, your statement balance doesn't change until your next billing cycle closes. What Does Current Balance Mean? Unlike your statement balance which represents the purchases and payments on your card during a set period, your current balance reflects all the charges and payment activity on your credit card account up to the date the statement was generated. Your current balance is not fixed the same way as your statement balance. Your current balance updates every time you use your credit card and gives you a better representation of the total amount you owe on your credit card at any given time. Why Are Your Statement Balance and Current Balance Different? Your current balance and your statement balance might be different depending on how you use your credit cards, when you make payments and how often you check your account balance overview. This is because your current balance continuously updates according to your account activity to show you purchases, payment deposits and interest even after your current billing cycle has closed. If you've made a purchase since your last billing cycle closed, go online to check your account and you'll see your current balance is higher than your statement balance. For example, if your card's billing cycle is between the first and 28th of the month and during that time you spent $1,000 on purchases, your statement balance as of the 28th will be $1,000. If you make an additional purchase of $500 on the card on the 29th of the month, your statement balance will still be $1,000, and your current balance will be $1,500 because the additional $500 was made after your billing cycle closed. The inverse is also true: If you made a payment after your billing cycle ended and did not make any other purchases, it's likely your current balance would be lower than your statement balance. Which Balance Should You Pay? Which balance should be paid each month depends on a person's financial goals and situation, but generally, it's wise to pay off the statement balance every month so you do not incur fees and interest. Any amount not paid on your statement balance by the due date will roll over into the next month and start to accrue interest, and, depending on the credit card agreement, possibly finance fees. Of course, paying your statement balance in full might not always be possible every month, but you should always aim to make at least your minimum payment on time to preserve your credit score and avoid late fees. You can set up automatic bill pay to allow your credit card issuer to withdraw the minimum payment amount from your bank each month to avoid missing or making a late payment, which can negatively impact your credit score. If you have additional money to put toward your credit card bill at a later date, you can always make an additional payment. How Do Your Balances Affect Your Credit Score? Typically at the end of the billing cycle, your credit usage will be reported by your credit card issuer to the Consumer Credit Bureaus. While it's common for issuers to report statement balances, some issuers may send the current balance instead. You can check with your credit card issuer to determine which balance is being reported and when. Based on the balances received from your credit card issuer, the credit bureaus will calculate your credit utilization rate: the percentage of your total available credit you're using at any given time. Your credit utilization rate is one of the most important factors in your credit score, which means it can impact your approval odds for new credit cards and your ability to access better interest rates and higher credit limits. You can expect your credit score to be consulted whenever you want to finance a large purchase such as a home or car. Simply put, the lower the credit utilization rate, the better, but if you're wondering what exactly is a low credit utilization rate, under the FICO Score and VantageScore credit scoring models, a current balance below 30% of your total credit limit is a good benchmark. Bottom Line The decision to pay your statement balance in full or pay your current balance each month will ultimately depend on your financial preferences. Paying your current balance early—before it becomes part of your statement balance—is wise if you're planning to travel or otherwise be out of communication so you don't have to worry about missing a payment. But it won't cost you anything to let it build up until your next statement, just so long as you pay your statement balance on time in full every month. The key is to understand the difference between the two balances so that you can make the best decisions to better manage your debt, reach your financial goals and get the most value from your credit cards. To view important disclosures about the Experian Smart Money™ Digital Checking Account & Debit Card, visit experian.com/legal.The Experian Smart Money™ Debit Card is issued by Community Federal Savings Bank (CFSB), pursuant to a license from Mastercard International. Banking services provided by CFSB, Member FDIC. Experian is a Program Manager, not a bank.☉Credit score calculated based on FICO® Score 8 model. Your lender or insurer may use a different FICO® Score than FICO® Score 8, or another type of credit score altogether. Learn more.Editorial Policy: The information contained in Ask Experian is for educational purposes only and is not legal advice. You should consult your own attorney or seek specific advice from a legal professional regarding any legal issues. Please understand that Experian policies change over time. Posts reflect Experian policy at the time of writing. While maintained for your information, archived posts may not reflect current Experian policy.Opinions expressed here are author's alone, not those of any bank, credit card issuer or other company, and have not been reviewed, approved or otherwise endorsed by any of these entities, unless sponsorship is explicitly indicated. All information, including rates and fees, are accurate as of the date of publication and are updated as provided by our partners. 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We show a summary, not the full legal terms – and before applying you should understand the full terms of the offer as stated by the issuer or partner itself. While Experian Consumer Services uses reasonable efforts to present the most accurate information, all offer information is presented without warranty.© 2025 Experian. All rights reserved.Experian and the Experian trademarks used herein are trademarks or registered trademarks of Experian and its affiliates. The use of any other trade name, copyright, or trademark is for identification and reference purposes only and does not imply any association with the copyright or trademark holder of their product or brand. Other product and company names mentioned herein are the property of their respective owners. Licenses and Disclosures. When you receive your credit card bill, you'll notice two different balances: the statement balance and the current balance.Conventional wisdom says that you should always pay off your statement balance within your grace period to avoid paying interest, but in contrast, we hear very little about the current balance.If your goal is to understand your billing cycle better and learn more about how your credit utilization rate affects your credit score, it's helpful to break down exactly how the two amounts differ.What we'll coverBoth statement and current balances operate around a billing cycle. A billing cycle is the length of time, typically 28 to 31 days, between your last statement closing date and the next.Statement balanceA statement balance is the sum of your transactions from your last billing cycle, plus and fees or interest. This is generated on the last day of your billing cycle and will include your minimum required payment and due date. Since it's looking at a specific period of past spending, your statement balance doesn't change until the end of the next billing cycle, when you will get a new statement.You must pay your statement balance in full before the due date to avoid any interest fees.Current balanceThe current balance is a running tracker of how much you owe on your card at any given time. This means that, unlike a statement balance, it will change depending on your spending.For example, let's say you spent $500 during a billing cycle, and another $50 after your cycle ends. When you receive your credit card statement, your statement balance will be listed as $500. And if you check your online account, your current balance will be $550. Then, if you make a $500 payment, your statement balance will be paid off, leaving you with a $50 current balance.Credit card issuers typically report your statement balance to the credit bureaus monthly, but if you have multiple cards with different issuers, you'll likely have credit card balances reported at various times throughout the month. While most card issuers report your statement balance instead of your current balance, you should double-check by calling or messaging your card issuer about which balance they report.The balance reported to the credit bureaus appears on your credit report and can affect your credit utilization rate, which is the percentage of the total credit you're using. The higher your balance, the higher your credit utilization rate, which can lower your credit score.There are a number of credit monitoring services that make it easy to track your credit report. Experian IdentityWorks offers a basic plan at no cost, plus free trials for its premium options. The free plan offers some basic credit monitoring tools and alerts, while the paid plans include features like identity theft insurance and fraud resolution support.On Experian's siteTo find your credit utilization rate, a significant credit score factor, divide your total balance by your credit limit. For example, if you have one credit card with a $1,000 balance and $5,000 credit limit, your utilization would be 20%.Here's the math: $1,000 / $5,000 = 0.2 x 100 = 20% To maintain a low credit utilization rate, consider reducing your spending or making periodic bill payments throughout your billing cycle so you have a lower statement balance. The lower your statement balance, the lower your credit utilization rate, which can improve your credit score.To have your account reported as current to the major credit bureaus (Experian, Equifax and TransUnion) and avoid late fees, you'll need to make at least the minimum payment on your account. But to avoid interest charges, you'll need to pay your statement balance in full.If you pay less than the statement balance, your account will still be in good standing, but you will incur interest charges. You can avoid paying interest temporarily with an intro 0% APR card, like the Wells Fargo Active Cash® Card or the Citi Simplicity® Card. The Wells Fargo Active Cash has a 0% intro APR for 12 months from account opening on purchases and qualifying balance transfers. (19.24%, 24.24%, or 29.24% variable APR thereafter; balance transfers made within 120 days qualify for the intro rate and fee of 3% then a BT fee of up to 5%, $5 minimum) and the Simplicity Card offers a 0% intro APR for 21 months on balance transfers from date of account opening (after that, the variable APR will be 18.24% - 28.99%, based on your creditworthiness. Balance transfers must be completed within 4 months of account opening; see rates and fees). There is an intro balance transfer fee of 3% of each transfer (minimum $5) completed within the first 4 months of account opening. After that, your fee will be 5% of each transfer (minimum $5).Should I pay my statement balance or current balance?You should always try your best to pay your statement balance in full to avoid fees and interest, your current balance shows your recent spending.Will paying my statement balance help avoid interest?Yes, paying your full statement balance by the specified due date means you will not be charged interest for interest for that period.What happens if I overpay my credit card?There is no penalty for overpaying your credit card. If you overpay, you'll receive a statement credit to use toward future purchases. If you overpaid by a large amount, you can request a refund from your bank.Should I pay by the statement date or due date?You should pay your statement balance by the due date listed. The statement date typically marks the ending of your billing cycle, but not a payment date.At CNBC Select, our mission is to provide our readers with high-quality service journalism and comprehensive consumer advice so they can make informed decisions with their money. Every credit card guide is based on rigorous reporting by our team of expert writers and editors with extensive knowledge of credit card products. While CNBC Select earns a commission from affiliate partners on many offers and links, we create all our content without input from our commercial team or any outside third parties, and we pride ourselves on our journalistic standards and ethics.Catch up on CNBC Select's in-depth coverage of credit cards, banking and money, and follow us on TikTok, Facebook, Instagram and Twitter to stay up to date.Editorial Note: Opinions, analyses, reviews or recommendations expressed in this article are those of the Select editorial staff's alone, and have not been reviewed, approved or otherwise endorsed by any third party. Every month, you'll receive a credit card statement for each card you hold, and one of the terms that will always appear is called a statement balance, represented as a dollar amount.But another figure — the current balance — will also be featured. (It's sometimes referred to as an "outstanding balance.") And it may or may not be the same dollar amount, depending on your card usage and payments.Here's the difference between your credit card statementIssuers are required by law to provide monthly statements to their cardholders. One statement lists all the activity in one billing cycle, which is usually a period of 28 to 31 days. After the last day of the billing cycle, also known as the credit card closing date, the issuer tallies up all the purchases charged to the card, all cash advances taken from the card, and all transferred balances added to the card in the cycle.The statement balance is the total of all transactions minus any payments you made during that billing cycle.Here's an example resulting in a statement balance of $4,250:You charged $1,000 worth of various expenses throughout the billing cycle to your credit card.You completed a $5,000 balance transfer to that same credit card. Your card assesses a 5% balance transfer fee on the loan amount, adding $250 to your credit card's ledger.You made a $2,000 payment toward the credit card around the middle of the billing cycle.$6,250 in total expenses minus a $2,000 payment equals a statement balance of $4,250.A billing cycle may not align with the calendar month. The beginning of a billing cycle is often the same date the credit card account was opened.As the name suggests, a current balance on a credit card refers to the total amount owed on the day you check your account. Thus, the current balance may be a more up-to-date reflection of your debt than the statement balance is.The statement balance and current balance can be the same amount — or not.Say you charged $1,000 in expenses throughout the billing cycle and didn't make any payments in that same time period. Your statement balance would be $1,000.Let's also imagine you don't use the credit card for the next two weeks and you don't submit any payments, either. When you log in to your credit card account at the end of those two weeks, you'd see a current balance of $1,000 — the same amount as the statement balance.For this example, we'll start at the same hypothetical place of $1,000 in expenses for the entire billing cycle. However, in this scenario, let's say you made a $500 payment. When the credit card statement closes, you'll have a statement balance of $500.Then, after the billing cycle ends, you use your card to pay for groceries, a medical bill and the month's rent for a total of $2,000. When you log in to your credit card account, your current balance would be $2,500, which is exactly $2,000 more than the statement balance.» LEARN: What is the best time to pay my credit card bill?Either option allows you to avoid paying interest, and here's why.Interest charges are assessed only if you don't pay the credit card statement balance in full by the due date. When you pay at least that much, a grace period goes into effect for the following billing cycle, and you won't owe interest on any new purchases you make until the due date for that next billing cycle.So your strategy depends on your preference:Paying the current balance fully zeroes out your debt. In one fell swoop, you'll pay off whatever your statement balance was plus any extra charges you made since the previous monthly statement was issued. On the plus side, you've covered all your expenses, and your credit card's interest rate never becomes a factor. On the minus side, you may find yourself less liquid in the short term. After all, in the example above, you've immediately shelled out $2,500 instead of $500.Paying the statement balance lets you "float" charges. Paying only the statement balance still lets you dodge interest until the next billing cycle. On the plus side, you keep more cash on hand and have more time to finance your purchases, thanks to your grace period. On the minus side, in the example above, you'll have a $2,000 bill coming due eventually, and that's assuming you don't make any new charges with the card before then. So this method, too, requires some budgeting and care.Not all credit card issuers offer grace periods. Also, an issuer may temporarily revoke your grace period if you don't pay off your balances on time.» LEARN: How is credit card interest calculated?Jae is a writer for the credit cards team at NerdWallet. Her writing has been published in newspapers, blogs and an academic journal. See full bio. Every month, you'll receive a credit card statement for each card you hold, and one of the terms that will always appear is called a statement balance, represented as a dollar amount.But another figure — the current balance — will also be featured. (It's sometimes referred to as an "outstanding balance.") And it may or may not be the same dollar amount, depending on your card usage and payments.Here's the difference between your credit card statementIssuers are required by law to provide monthly statements to their cardholders. One statement lists all the activity in one billing cycle, which is usually a period of 28 to 31 days. 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Also, an issuer may temporarily revoke your grace period if you don't pay off your balances on time.» LEARN: How is credit card interest calculated?Jae is a writer for the credit cards team at NerdWallet. Her writing has been published in newspapers, blogs and an academic journal. See full bio. You don't need to pay your entire current balance on your credit card bill to avoid paying interest, just the statement balance. Consistently paying off your statement balance every month by the due date can help you avoid paying interest or late fees. Choosing to pay your current balance in full will eliminate the balance on your card temporarily. But pending transactions, fees and interest charges may post later and require additional payments. If you're not able to pay your entire statement balance, paying at least the minimum payment can help keep your account in good standing. Plus, you typically won't face any late fees or penalties. With Capital One, you can set up automatic payments and bill reminders through the mobile app. These can help you pay on time, understand your balance and help keep your credit card account in good standing. You might see 2 different types of balances on your credit card account – your statement balance and your current balance. Your statement balance is your balance at the end of your billing cycle. Your current balance is the balance on your credit card at the present moment. It includes any posted charges, payments, credits, interest or fees since your last statement. Read on to learn more about the differences between statement and current balances. What is a statement balance? Your statement balance is the amount you owe on your credit card at the end of a billing cycle. Your statement balance includes any balance you've carried over from previous billing cycles, plus any fees and interest, minus any payments and credits. Credit card companies calculate your statement balance on the last day of your billing cycle (also called your closing date). These companies typically offer a grace period, which is the period of time between the closing date of each billing cycle and the payment due date, when interest is not charged on purchases if you pay the entire statement balance by the due date. If you do not pay this entire balance you can lose your grace period, meaning you would be charged interest on the portion of the balance you did not pay and also charged interest on the date other purchases are made in your current billing cycle. For this reason, paying off your statement balance in full every month on or before your due date helps you avoid interest. Here's an example of how paying your statement balance works: You start your current billing cycle with a statement balance from the previous billing cycle of $300. You make purchases totaling $400 during the current cycle before the due date to pay your statement balance from the previous billing cycle. You're not accruing interest during this billing cycle because you've been paying your entire statement balance each month by the due date. Your current balance before you make your payment is $700. If you pay your previous statement balance of $300 in full by the due date and close out your current billing cycle without making any more charges or payments, you'll end the billing cycle with a new statement balance of $400. What is a current balance? Your current balance is your credit card balance at the present moment. It can fluctuate based on purchases, fees, interest, payments and credits applied to your account. Your current balance is a real-time indication of how much you owe on your credit card account. Here's an example of how current balances work: Your statement balance from your last billing cycle is $500. A week into your current billing cycle, you haven't made any payments towards the statement balance but your payment due date has not past yet, so no interest has been charged on the balance. You've made purchases this cycle totaling $150 and a return for $50 that have posted to your account Your current balance is $600. Which balance do I pay? When you pay your bill online, you'll typically have the option to pay the statement balance, current balance, minimum payment or choose a different amount. Generally, if you've paid your statement balance in full by the due date each month, you can avoid interest. Let's look at each option. Statement balance: Paying off your statement balance in full by the due date each month can allow you to avoid interest charges. Current balance: If you've carried a balance over from previous months, you can generally avoid further interest charges once you pay your current balance. How ever, you should check the terms of your credit card account to determine if any new purchases made after this payment would immediately be charged interest or if a grace period would apply. Minimum Payment: This is the minimum amount you must pay to avoid late fees or having a late or missed payment reported to the credit bureaus. Other amount: You can enter a number manually. This can be a useful option if you want to pay more than the minimum but can't pay the entire statement balance, or if you want to pay more than the statement balance but not a higher current balance. Disclosure: This article is for educational purposes. It is not intended to provide legal, investment, or financial advice and is not a substitute for professional advice. It does not indicate the availability of any Citi product or service. For advice about your specific circumstances, you should consult a qualified professional. Image: A young woman relaxes on the sofa with her digital tablet at home. Your statement balance is a snapshot of all the expenses and payments that were made on your account during one billing cycle. Once your statement balance is generated, it won't change until your next billing cycle closes — but that doesn't mean your total outstanding credit card balance won't change in the meantime. That's because your current balance reflects the current total of all charges and payments to your account — and that changes every time a transaction occurs. So if you've made a few purchases since your statement closing date (the date that one billing cycle closes and after which the next begins), then your current balance will be higher than your statement balance. On the other hand, if you've made a payment since your statement closing date and no other transactions have occurred, then your current balance will likely be lower than your statement balance. Let's say, for example, that you receive a credit card statement on 20 June and it says you owe £1,000. That's your statement balance and 20 June is your statement closing date. Let's say you then go out to eat with family after 20 June and spend £100 on the same card. Your current balance will then be £1,100. If you make a payment of £500, your current balance will be £600. If you don't buy anything else with the card or make any other payments, your statement balance will come through as £600 on 20 July. Paying your statement balance in full before or by its due date can help you save money on interest charges. And paying your current balance in full by its deadline can improve your credit utilisation ratio and your credit health. Generally, as long as you consistently pay off your statement balance in full by its due date each billing cycle, you'll avoid having to pay interest charges on your credit card bill. This is why you should strive to pay off each billing cycle's statement balance by the due date whenever possible. But life happens. If you can't afford to pay off your entire credit card statement balance by the due date, make at least your minimum payment. This will cause you to accrue interest, but making at least your minimum payment on time will help you avoid late fees and negative marks on your credit reports. Many credit card providers offer grace periods before you have to pay interest, but you shouldn't rely on it. Many credit card providers in the UK offer grace periods between 15 to 21 days before applying interest to your statement balance. That means you get a little extra time after you receive your statement to pay off the statement balance before the provider will charge you interest. The advent of online billing and payment options has made it possible for many credit card providers to offer direct debit to their customers. Check with your credit card provider to see if direct debit is available. If so, you can usually choose to set up a direct debit that pays just the minimum amount each month — or pays whatever the total statement balance is each month. Direct debit could help you stay on top of your bills and avoid late payments and interest charges on your purchases. It's also a good idea to set a reminder on your calendar a few days before your payment date to make sure there are enough funds in your bank account to process the payment. Some transactions, like cash advances, do not fall under the same "grace period" rules that typically apply to purchases. Instead, they begin accruing interest the moment you take one out. So if you've recently taken out a cash advance on your credit card, we suggest paying it off as soon as possible, regardless of whether you've received your statement yet. Depending on how your credit card provider reports your account balances to the consumer credit reporting agencies, your current balance could affect your credit utilisation ratio. Your credit utilisation rate is simply how much of your available credit you're using at any given time. So the higher your balances are, the higher your credit utilisation rate will be — which can negatively affect your credit score. If you're ever worried about your credit utilisation rate being too high, aim to pay down your current balance whenever possible. A good goal is a current balance below 25% of your total credit limit. When it comes to the question of whether you should pay your credit card statement balance or current balance each month, it really boils down to personal preference and financial goals. If you choose to pay off your statement balance by the due date each month, that's a great choice. And if you choose to pay off your total current balance, that's a great choice, too! With either choice, you'll avoid the interest charges that come with only making minimum payments on your credit card purchases. Plus, you'll drive down your credit utilisation ratio, which may help your credit health. The fact that you're asking the question at all is great news, because it shows that you're someone who takes credit seriously. Every month, you'll receive a credit card statement for each card you hold, and one of the terms that will always appear is called a statement balance, represented as a dollar amount.But another figure — the current balance — will also be featured. (It's sometimes referred to as an "outstanding balance.") And it may or may not be the same dollar amount, depending on your card usage and payments.Here's the difference between your credit card statement balance and current balance.» LEARN: How to read your credit card statementIssuers are required by law to provide monthly statements to their cardholders. One statement lists all the activity in one billing cycle, which is usually a period of 28 to 31 days. 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The beginning of a billing cycle is often the same date the credit card account was opened.As the name suggests, a current balance on a credit card refers to the total amount owed on the day you check your account. Thus, the current balance may be a more up-to-date reflection of your debt than the statement balance is.The statement balance and current balance can be the same amount — or not.Say you charged $1,000 in expenses throughout the billing cycle and didn't make any payments in that same time period. Your statement balance would be $1,000.Let's also imagine you don't use the credit card for the next two weeks and you don't submit any payments, either. When you log in to your credit card account at the end of those two weeks, you'd see a current balance of $1,000 — the same amount as the statement balance.For this example, we'll start at the same hypothetical place of $1,000 in expenses for the entire billing cycle. However, in this scenario, let's say you made a $500 payment. When the credit card statement closes, you'll have a statement balance of $500.Then, after the billing cycle ends, you use your card to pay for groceries, a medical bill and the month's rent for a total of $2,000. When you log in to your credit card account, your current balance would be $2,500, which is exactly $2,000 more than the statement balance.» LEARN: What is the best time to pay my credit card bill?Either option allows you to avoid paying interest, and here's why.Interest charges are assessed only if you don't pay the credit card statement balance in full by the due date. When you pay at least that much, a grace period goes into effect for the following billing cycle, and you won't owe interest on any new purchases you make until the due date for that next billing cycle.So your strategy depends on your preference:Paying the current balance fully zeroes out your debt. In one fell swoop, you'll pay off whatever your statement balance was plus any extra charges you made since the previous monthly statement was issued. On the plus side, you've covered all your expenses, and your credit card's interest rate never becomes a factor. On the minus side, you may find yourself less liquid in the short term. After all, in the example above, you've immediately shelled out $2,500 instead of $500.Paying the statement balance lets you "float" charges. Paying only the statement balance still lets you dodge interest until the next billing cycle. On the plus side, you keep more cash on hand and have more time to finance your purchases, thanks to your grace period. On the minus side, in the example above, you'll have a $2,000 bill coming due eventually, and that's assuming you don't make any new charges with the card before then. So this method, too, requires some budgeting and care.Not all credit card issuers offer grace periods. Also, an issuer may temporarily revoke your grace period if you don't pay off your balances on time.» LEARN: How is credit card interest calculated?Jae is a writer for the credit cards team at NerdWallet. Her writing has been published in newspapers, blogs and an academic journal. See full bio. 6 Min Read | Updated: May 2, 2025 This article contains general information and is not intended to provide information that is specific to American Express products and services. Similar products and services offered by different companies will have different features and you should always read about product details before acquiring any financial product. Your credit card statement contains your overall balance, minimum payment due, and due date. See how your credit card statement helps you manage your account. If you have a credit card, you should understand how to read your monthly statement. Reviewing your credit card statement every month can help you identify billing errors or fraudulent charges. Every card issuer has its own statement layout, but they all generally outline the same basic information. If you have a credit card, it's important to be able to decipher your credit card statement. First, it will tell you how much is due each month and when. Beyond that, it's a good idea to regularly review your statement to make sure there are no fraudulent charges. Here's a general explanation of the anatomy of a credit card statement to help you understand all the relevant account information it includes. A credit card statement is a summary of your account details, such as transaction history, account balance, any rewards earned or fees charged, and other important information. Regardless of the credit card issuer, you may be sent a credit card statement at the end of every billing period.1 Credit card statements are sometimes sent by mail or email, or you may be able to log on to your credit card issuer's website to view your statement. While the actual configuration of the pages may differ, credit card statements usually include the same basic sections and information:1 Account summary. Payment information. Late payment and minimum payment warnings. Notice of account change or account messages. Transaction history or account activity. Fees and interest charged. Usually appearing at the top of your credit card statement, the account summary offers a brief overview of how your new balance was calculated, as well as your new balance and credit limit. Information you can expect to find in this section includes the following:2 Previous balance: How much you owed at the end of the previous billing cycle. Payments and credits: How much you paid toward the previous balance and/or how much credit you've received. Purchases: A sum of your new charges for this billing cycle. Balance transfers: Your balance transfer amount for this billing cycle. Cash advances: A sum of all cash advances made during this billing cycle. Fees charged: A sum of all fees charged during this billing cycle, such as late fees or foreign transaction fees. Interest charged: A sum of all interest charged during the billing cycle. New balance: Your new total balance, after factoring in your previous balance, credits, new purchases, balance transfers, cash advances, fees charged, and interest charged. Credit limit: Your total credit limit, sometimes listed as "credit line." Available credit: What's left of your total limit after deducting your current owed balance. This section might also include the billing cycle dates. You should also see your name and mailing address somewhere near the account summary. This section of your credit card statement clearly and simply shows your owed balance, minimum payment due, and payment due date. It usually appears adjacent to or near the account summary described above. Information you can expect to find includes the following:2 Current balance: Your total owed balance, calculated as described in the above section. Minimum payment due: Either a percentage of the owed balance or a flat fee, depending on your card's terms and conditions. Due date: The date your minimum payment is due. Note that you might be subject to a late fee if you fail to make a payment by the due date listed on your statement. The fee would be charged on the next billing cycle. Depending on the card issuer, late payment and minimum payment warnings might appear as their own highlighted sections, or they may appear within or in close proximity to the payment information sections. Here's what each means: Late payment warning: The credit card issuer informs you of any late fees and/or penalty APRs if you don't make the minimum payment by the established payment due date. Minimum payment warning: Credit card issuers provide an estimate of how long it'll take to pay off your full balance if you were to pay only the minimum amount due, as well as an estimate of the interest you may incur from doing so. The information in the minimum payment warning could change, depending on the balance and how long it would take you to pay it. If you have a rewards credit card, your issuer may show you your total rewards balance, and may also include a breakdown of your rewards earnings for the billing cycle. Your rewards summary usually appears somewhere near the top of your credit card statement.2 Further down in your credit card statement, you might see a section devoted to "account messages," "account changes," or something similar. Here, the card issuer may notify you if any important account information is changing. For example, fee increases or APR changes could appear here, as well as benefits changes, such as adjustments to your card's car rental loss and damage collision waiver, if applicable.2 Keep in mind that your credit card issuer may notify you of changes via a separate letter instead. Despite the extensive information described above, this section is probably what comes to mind when you think of a "credit card statement." Your transaction history or account history provides a summary of your spending for the billing cycle in table format, showing when, where, and how much was spent. It's important to double-check this section for any unrecognized transactions, and contact your credit card issuer if you come across any potential billing errors or fraudulent charges.2 Here's what's typically presented: Posted date: The date the transaction was posted. Posted date does not always correspond with actual purchase date, since transactions can remain "pending" for a couple of days before they're actually posted. Vendor name and location: The name of the business you transacted with and its location (usually state or town and state). Note that some vendors register their businesses under a different name than what appears at the shop or on its website. If you don't recognize a vendor name, a quick online search can usually help you determine the charge's legitimacy. If unsure, contact your credit card issuer and give them the vendor's name to check the transaction. Amount: How much was spent on each transaction, plus a total sum at the end of the list. Some credit card issuers will also list each charge's associated spending category or merchant category, such as travel, transportation, groceries, or entertainment. After your transaction history, your credit card statement may provide a summary of fees and interest charged. You might see an overview of all charges for the billing cycle, as well as a year-to-date summary of how much you've paid in fees and interest charges for the current calendar year.1 Near or within the same section, you might see a section for "interest calculation." This is a summary of the interest rates charged for each type of transaction – purchase, cash advance, and balance transfer — and what part of your balance is subject to relevant interest rates. Your credit card statement gives you information necessary for tracking your credit card spending and how much you owe in each billing cycle. Carefully reviewing your credit card statement every month is a healthy financial habit that may help you spot fraudulent charges and billing errors, keep you on top of any upcoming changes to your account terms, and monitor your financial habits. The material made available for you on this website, Credit Intel, is for informational purposes only and intended for U.S. residents and is not intended to provide legal, tax or financial advice. If you have questions, please consult your own professional legal, tax and financial advisors.