Americans currently owe $917 billion on revolving credit lines, according to the latest Federal Reserve statistics. Almost all of it is a result of charging purchases to credit cards. About $69 billion of it is currently past due.

We can keep piling on the bad news for debtors and creditors, much of which you've undoubtedly heard or read before. Credit-card issuers are drastically reducing lines of credit—one analyst thinks that a year from now credit lines will be half their current levels. And despite low interest rates nearly everywhere else, rates on credit cards are increasing as lenders put hikes in place before next year, when new legislation that curbs some abusive lending practices comes into full effect. The depth and length of the current recession is giving lenders another excuse (as if they needed one) to recoup their losses by any means possible.

Motivations for a swift payoff

It seems like a no-win situation for consumers carrying a balance, especially if it's too high or a recent job loss has dried up the means to pay it off in a timely manner. If your debt-to-income ratio (this includes all debt, such as your mortgage and car payments) exceeds 35 percent, most lenders will be wary, even in better economic times, about your ability to pay it all off. If it's greater than 50 percent, lenders worry that the debt may never be fully paid. So it's no surprise that credit-card issuers are stepping up their efforts to get customers to pay up.

But assuming that you have the income sufficient to pay down your credit cards, how should you approach it? It's not as cut-and-dry as the math would suggest, unless you have the means to dispense with your balances in a matter of months. Apart from simply calculating the interest you'll pay, you might also consider psychological motivations that will help you stay the course toward retiring your debt. And there are other approaches that might help you improve your credit score. Here's a look at several strategies.

Paying more than the minimum

As you've probably surmised, paying only the minimum due on a card is a surefire way not to succeed. Many issuers require you to pay only 2 percent of your current balance. Assuming the annual percentage rate on your card is 18 percent, paying down a $2,000 balance with minimum payments would erase that debt sometime in 2033.

So why do so many consumers make only minimum payments? In behavioral economics, part of the reason is due to "anchoring"—which means that when it comes to numbers, we can be easily persuaded by the power of suggestion. In a recent experiment, two groups of people were presented with a fictitious credit-card bill. One group's bill listed only the balance, while the other bill showed the balance and minimum payment. Some paid the entire balance and some paid only the minimum. But of those remaining, the payment amount was higher among the group whose bill didn't show an "anchoring" minimum payment.

The good news is that it doesn't take much of a bump in monthly payments to retire the balance a lot faster. Using the earlier example of the $2,000 balance with an 18 percent APR, increasing your payments from 2 percent to 5 percent would pay off your balance in "only" six and a half years. Not fast enough? Making payments of 10 percent will eliminate a $2,000 balance in 41 months. Our table below shows how long it would take to pay off a $5,000 balance at certain annual percentage rates and monthly payments.

Paying off the card with the highest interest rate first

Mathematically, this option will result in the lowest amount of interest paid. Chances are, if you carry a monthly balance on one of your accounts, you probably do on a number of credit cards. Your cards might have a range of interest rates. By focusing most of your monthly total credit-card payment on the card that carries the highest APR, you'll quickly lower the amount of interest you're paying overall. Of course, if the most expensive card in your wallet has a large balance, this approach has even greater merit because you'll be slicing away at debt that could be having an adverse effect on your credit score.

Paying off the card with the lowest balance first

This is what has been referred to as the “snowball approach” to paying off debt. You budget a total monthly amount to allocate among all your credit cards. Pay the minimum balance on the cards with the larger balances, and put the bulk of your payback budget toward the card with the smallest balance. When the smallest balance is paid in full, then drive all of those payments into the card with the next lowest balance.

Although you’ll pay a little more in interest (unless the smallest balance is also the one with the highest APR), the number of monthly bills will decrease eventually, giving you the psychological lift that you’re making progress toward retiring your debt. But there are tangible benefits to this approach as well. According to Credit.com, having open accounts with a zero balance might improve your credit score, which may in turn give you more leverage with your remaining creditors. And the additional interest paid by using this approach is modest relative to the total payments you’ll ultimately make.

Paying the highest balances first

As we mentioned, issuers are taking the axe to credit lines. Borrowers with large balances—especially balances that comprise more than 50 percent of the total line of credit—are especially vulnerable to having their credit limits reduced. And once that happens, your credit bureau reports will show a higher ratio of debt to available credit, which could ding your credit score and spur issuers of your other credit cards to also take adverse action against you.

For that reason, you should strive to keep your balances below 30 percent of your credit line. That can be tough when the card issuer is slashing your borrowing limit in tandem with the paydowns you’ve made. But a methodical approach to ratcheting down your credit-card debt—and the discipline to keep it down by curbing your spending—should eventually bring your total debt under control.

Which approach is best for you?

As long as you stick to it, any of the approaches we’ve highlighted here have merit. You can even change tactics midstream—for instance, pay down a high-balance credit card first, then, when that balance is below 30 percent, switch to paying the card with the highest APR.

The greatest challenge will be resisting the temptation to backslide toward making only minimum payments. To that end, consider depositing the entire amount you’ll need for credit card payments each month into a separate account dedicated only for the purpose of paying down cards. If direct deposit is available to you, arrange to have your take-home pay automatically put into two separate accounts.

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