

MOST AMERICANS PLAN TO USE THEIR TAX REFUNDS FOR SAVINGS, INVESTMENTS, OR TO PAY OFF DEBT

(BETHESDA, MD) – A majority of Americans will use the tax refunds they expect to receive this year for savings or investments (55%) or to pay off debts (52%), according to a new survey. The poll was commissioned by Taxsoftware.com, the only Web site that provides both personal and business tax preparation services online.

According to the survey, a minority of taxpayers say they will use their refunds to make home improvements (30 percent); buy products, such as cars, electronics or furniture (24 percent); pay mortgage or education loans (20 percent); give to charity (20 percent); take a vacation (16 percent); or do something else (27 percent)

Taxsoftware.com spokesperson Mickey Macedo said the survey results “show that people are much more interested in saving than spending their anticipated refunds, and would rather use their windfalls to help improve their finances. Indeed, Americans are more likely to visit their banks or stockbrokers after receiving their refund checks than go to the mall or shop online.”

The latest survey results were announced as millions of Americans continue working to meet the April 17 deadline for filing their state and federal income tax forms.

Other findings of the survey include:

- Respondents with at least one child in the household and people with household incomes of less than \$25,000 are more likely to use their refunds to pay off debt (60 percent and 62 percent, respectively) than other groups of taxpayers
- Individuals with household incomes that exceed \$50,000 are more likely to use their refunds for savings or investments than those making less than \$25,000 (60% and 40%, respectively)
- Younger people ages 18-24 are more likely to use their refunds to buy products than older people aged 55-64 (60% and 11 % respectively)
- 62 percent of Americans expect to receive a refund; those in the 25-34 age group are more likely than any other group of taxpayers to expect a refund (77%)

The poll of 1,000 adults was conducted March 17 – 19, 2006 by Synovate, and has a margin of error of plus or minus four percent.