



Just 6% Plan to Splurge with Their Tax Refund

Saving, Spending on Necessities Hit New Highs

NEW YORK – March 6, 2017 – Just 6% of U.S. adults who expect to receive a tax refund this year plan to splurge on something such as a vacation or shopping spree, according to a new Bankrate.com report. The most popular uses for the money are much more practical: save or invest it (34%), spend it on necessities such as food or utility bills (29%) and pay down debt (27%). Click here for more information:

<http://www.bankrate.com/finance/consumer-index/money-pulse-0317.aspx>

The “save/invest” and “spend it on necessities” percentages are the highest among the four surveys Bankrate.com has conducted (in the years 2010, 2015, 2016 and 2017). “Pay down debt” hit a new low and has declined seven percentage points over the past two years.

Approximately half (47%) of all taxpayers anticipate a refund this year. The percentage is highest among millennials (66%) and drops considerably with age. 49% of Gen Xers expect a refund, as do 34% of Baby Boomers and 26% of the Silent Generation.

Overall, about 1 in 4 American adults had already filed their 2016 tax returns by the time the survey was conducted in mid-February. Nearly 2 out of 3 early filers already received a refund or are expecting one.

“Millennials are actually the age group most likely to have already filed their 2016 returns, and the age group most likely to save or invest their refund,” said Sarah Berger, The Cashlorette at Bankrate.com. “This shows a sense of responsibility and overall financial savviness among young adults. They’re setting up a solid foundation for their future financial selves. It can be tempting to splurge with that refund, but saving it is so much smarter; consider it an investment in yourself.”

29% who have yet to file say they’ll wait until April 1 or later (the deadline is April 18) and another 11% don’t know when they’ll complete this annual task. Fewer than half of those who have yet to file presume they will get a tax refund this year.

The survey was conducted by Princeton Survey Research Associates International. PSRAI obtained telephone interviews with a nationally representative sample of 1,001 adults living in the continental United States. Interviews were conducted by landline (500) and cell phone (501, including 298 without a landline phone) in English and Spanish by Princeton Data Source from February 16-19, 2017. Statistical results are weighted to correct known demographic discrepancies. The margin of sampling error for the complete set of weighted data is plus or minus 3.8 percentage points.

About Bankrate.com:

Bankrate.com provides consumers with the expert advice and tools needed to succeed throughout life's financial journey. For over two decades, Bankrate.com has been a leading personal finance destination. The company offers award-winning editorial content, competitive rate information, and calculators and tools across multiple categories, including mortgages, deposits, credit cards, retirement, automobile loans, and taxes. Bankrate aggregates rate information from over 4,800 institutions on more than 300 financial products. With coverage of over 600 local markets, Bankrate generates rate tables in all 50 U.S. states. Bankrate develops and provides web services to more than 100 cobranded websites with online partners, including some of the most trusted and frequently visited personal finance sites on the internet, such as Comcast, Yahoo!, CNBC and Bloomberg. In addition, Bankrate licenses editorial content to more than 500 newspapers on a daily basis including The Wall Street Journal, USA Today, The New York Times and The Los Angeles Times.

For more information:

Ted Rossman
Public Relations Director
ted.rossman@bankrate.com
917-368-8635