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WASHINGTON – Planning for the future is top of mind for Americans this year, with more consumers than ever putting their tax refunds into savings. According to the National Retail Federation's annual Tax Returns Survey conducted by Prosper Insights and Analytics, 49.2 percent of those expecting a refund plan to save the money rather than spend it right away, the highest percentage in the survey's history. Nearly two-thirds (65.5 percent) of those surveyed expect a refund.

"Consumers are boosting their confidence and building their spending power as they set aside their checks from Uncle Sam," NRF President and CEO Matthew Shay said. "Americans this year see refund season as a time to improve their financial health by using their refunds to get ahead on savings goals, pay down debt and plan for purchases in the future. Money saved is spending potential down the road."

Consumers know just what they want to do with their refunds this year: In addition to savings, 34.9 percent plan to pay down debt and 22.4 percent will use the refunds for everyday expenses. While 11.4 percent plan to book a vacation, 9.2 percent plan to spend on major purchases like a television or car. Splurges are still in the cards for some, with 8.3 percent planning to indulge on a purchase like a salon or spa service or an elaborate night out.

According to the survey, 57.3 percent of 18-to-24 year-olds plan to save their refunds, and 27.4 percent will use it for groceries, gas and other everyday purchases. But plenty of young consumers will have some fun too: 12.6 percent will spend it on vacations and 13.4 percent will splurge. More than half (52.3 percent) of those ages

25-34 plan to tuck their refunds into savings and 45 percent will use it to pay down

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prepare their taxes on their own, while 14.2 percent will file manually. Others plan to have a spouse, friend or relative help (16.1 percent) and 21.4 percent will hire an accountant.

Of those surveyed, 21 percent have already filed their taxes, 38 percent plan to do so in February, 24.5 percent will file in March and 15.4 percent will take their time and file at the last minute in April.

The survey is designed to gauge consumer behavior and shopping trends related to tax returns. The poll of 7,108 consumers was conducted February 2-9 and has a margin of error of plus-or-minus 1.2 percentage points.

Income Tax • IRS

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