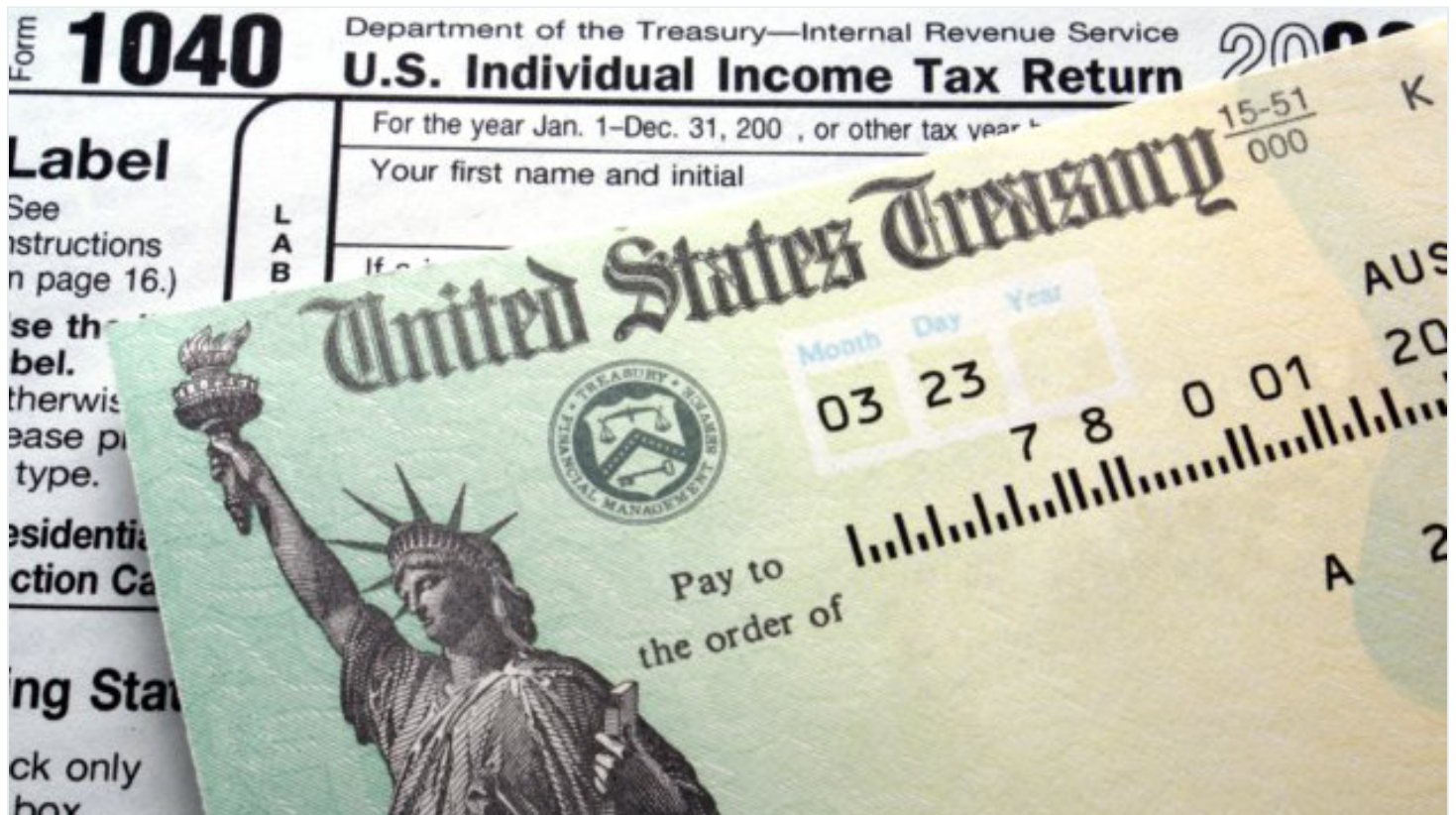


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clothes or a vacation, but LendEDU's latest survey found that tax refunds are often used for more serious things, like getting out from under suffocating debt.

Apr. 12, 2018



It's tax season, which means almost all tax returns need to be submitted by next Tuesday, April 17th.

Financial stress sweeps over the United States during this time of year, with people rushing to fit into their accountants' jam-packed schedules to get their taxes in order and ready for the Internal Revenue Service (IRS).

However, tax season does employ the “carrot and stick” method; filing the year's taxes can be *taxing*, but the nice paycheck from the U.S. government a few weeks later

makes it all worthwhile.

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- 69.6 percent of Americans have or will receive a tax refund this year, with the average tax refund amongst those respondents being \$3,119.43
- 70.4 percent of those respondents are using their tax refunds to pay down credit card debt, while 8.91 percent are unsure if they will do the same
- Of that 70.4 percent, the average respondent will use 65 percent of their tax refund to pay down credit card debt

Full Survey Results

Note: The following survey questions were asked to 1,000 Americans that were carrying a credit card debt balance at the time of the poll.

1. Have you or are you going to be receiving money back from a tax return this year?

- a. 69.6% of respondents answered "Yes"
- b. 30.4% of respondents answered "No"

2. (Asked only to those who answered A to Q1) How much money have you received or are you going to be receiving from your tax return?

Based off of our respondents, the average tax refund amount is going to be \$3,119.43.

[Recent IRS data](#) pegged the national tax refund average at \$3,120.

3. (Asked only to those who answered A to Q1) Will you be using money from your tax refund to pay down your credit card debt?

- a. 70.4% of respondents answered "Yes"
- b. 20.69% of respondents answered "No"
- c. 8.91% of respondents answered "Unsure"

4. (Asked only to those who answered A to both Q1 and Q3) How much, proportionally, of your tax refund will be used to pay down your credit card debt?

Based off of our respondents, 64.98 percent of the average tax refund will be used to

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Judging from the results our survey, tax refunds across the country will be utilized for a very serious purpose: paying back credit card debt.

With the average respondent receiving a tax refund of \$3,119.43 (for reference, [recent IRS data](#) pegged the national tax refund average at \$3,120), this will likely be the largest paycheck many poll participants will receive throughout the entire year. For many however, that large monetary sum will simply be used to repay old debts and will not assist in doing things like pumping money through local businesses.

The data found within this poll shows just how much of a burden credit card debt can prove to be. It takes extreme discipline to resist the urge to splurge with your tax refund. But for so many Americans with credit card debt, that urge is mitigated by the sheer thought of getting buried in a mountain of credit card debt.

Further, not only are so many respondents utilize their tax refunds for repaying credit card debt, but they are tapping into a serious proportion of their total refund amounts. The average proportion of our respondents' tax refund that will be used to reduce credit card was 65 percent.

Here is what was more shocking: 35.71 percent of the respondents were anticipating to use 100 percent of their tax refund to repay debt!

Income Tax • IRS

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