

Consumers and Taxes - US - July 2016

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



"Most people need to pay taxes. However, while many taxpayers don't mind paying taxes if they believe the money is used constructively, most would also like to pay the least amount possible."

- Robyn Kaiserman, Senior Financial Services Analyst

This report looks at the following areas:

- Tax fraud
- One third don't take any tax management steps

This Report covers consumer and taxpayer attitudes toward taxes: how they prepare them, how they feel about them, what steps they take to minimize them, and how they use refunds. Except for separating out whether they owe state or federal taxes or receive a state or federal tax refund or both, there is no differentiation between attitudes and behaviors surrounding state and federal taxes.

**BUY THIS
REPORT NOW**

VISIT:
store.mintel.com

CALL:
EMEA
+44 (0) 20 7606 4533

Brazil
0800 095 9094

Americas
+1 (312) 943 5250

China
+86 (21) 6032 7300

APAC
+61 (0) 2 8284 8100

EMAIL:
reports@mintel.com

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

Consumers and Taxes - US - July 2016

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

Overview

What you need to know

Definition

Executive Summary

The issues

Tax fraud

Figure 1: Willing to wait for refund if no chance of fraud, by household income, May 2016

One third don't take any tax management steps

Figure 2: Tax management activities, May 2016

The opportunities

People want to learn about how to reduce taxes

Figure 3: Interest in learning to reduce taxes, by generation, May 2016

Figure 4: USAA email ad, 2016

Most pass up tax-advantaged opportunities

Figure 5: Tax management activities, by household income, May 2016

What it means

The Market – What You Need to Know

Tax receipts have increased considerably

E-filing and refund amounts are increasing

Challenges to the tax preparation industry

Lower unemployment means more people paying taxes

Changes in tax legislation

Market Size

Total tax receipts are up

Figure 6: Gross collections by type of tax, fiscal years 2006-15

E-filing is increasing in popularity

Figure 7: Statistics comparing May 15, 2015 and May 13, 2016

Market Perspective

Breakdown of the tax preparation industry

Figure 8: Breakdown of tax preparers, as of June 1, 2016

Challenges to the tax preparation industry

Figure 9: Who prepares taxes, by generation, May 2016

Market Factors

Lower unemployment

Figure 10: Unemployment rate, January 2010-May 2016

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Consumers and Taxes - US - July 2016

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Changes in tax legislation

Figure 11: Interest in professional tax preparer, by demographics, May 2016

Tax preparers are expanding their services

Key Players – What You Need to Know

H&R Block

Intuit

Jackson Hewitt

Volunteer organizations help the low income, elderly, and the unbanked

Fear of scams

Tax preparers help with ACA enrollment

What's Working?

H&R Block

Intuit

Figure 12: Mint.com emails, 2016

Jackson Hewitt

Faster tax refunds

VITA and TCE

Helping the unbanked

What's Struggling?

Fear of scams

What's Next?

Tax preparers help with ACA enrollment

The Consumer – What You Need to Know

More get tax refunds than owe taxes

Many taxpayers prefer end-of-year refund

Most taxpayers don't do their own taxes

Hispanics prefer to spread out tax payments

Most take some steps to minimize their taxes

Tax preparers need to compete on more than just price

Most would use a refund to improve day-to-day finances

Tax Liability

More get tax refunds than owe taxes

Figure 13: 2015 tax liability, May 2016

Many taxpayers prefer end-of-year refund

Figure 14: Tax payment preferences, by gender, May 2016

Tax Preparation

Most do not do own taxes

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Consumers and Taxes - US - July 2016

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 15: Who prepares taxes, May 2016

Men are more likely than women to do own taxes

Figure 16: Who prepares taxes, by gender, May 2016

The market for accountants is among high-income earners

Figure 17: Who prepares taxes, by household income, May 2016

Multiculturals are biggest users of third-party tax preparers

Figure 18: Who prepares taxes, by race/Hispanic origin, May 2016

Method of Tax Payment

Checks are the most popular method

Figure 19: Method of paying taxes, May 2016

Use of cards is greatest among young taxpayers

Figure 20: Method of paying taxes, by generation, May 2016

Hispanics prefer to spread out tax payments

Figure 21: Method of paying taxes, by Hispanic origin, May 2016

Use of Tax Management Strategies

Most take some steps to minimize their taxes

Figure 22: Steps taken to minimize taxes, May 2016

Figure 23: Mint.com email, 2015

Figure 24: TD Ameritrade print ad, 2016

Young people are interested in learning more

Figure 25: Interest in learning how to reduce taxes, by generation, May 2016

Higher earners most interested in paying less

Figure 26: Interest in learning how to reduce taxes, by household income, May 2016

Tax Preparation Activities

Attitudes toward tax preparation

Figure 27: Attitudes toward tax preparation, May 2016

Highest earners most confident in deductions

Figure 28: Confidence in deductions, by household income, May 2016

Understanding of tax laws

Figure 29: Understanding of tax laws, by type of tax preparer, May 2016

Usage of Tax Refund

Most would use a refund to improve day-to-day finances

Figure 30: How would use a tax refund, May 2016

Men are more likely than women to invest

Figure 31: How would use a tax refund, by gender, May 2016

Hispanics and Blacks pay down bills

Figure 32: How would use a tax refund, by Hispanic origin/race, May 2016

Appendix

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Consumers and Taxes - US - July 2016

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Fees matter to young parents

Figure 33: Tax-related attitudes – CHAID – Tree output, May 2016

Figure 34: Tax-related attitudes – CHAID – Table output, May 2016

CHAID analysis methodology

Appendix – Data Sources and Abbreviations

Data sources

Sales data

Consumer survey data

Consumer qualitative research

Direct marketing creative

Abbreviations and terms

Abbreviations

Terms

Appendix – Consumer

Figure 35: Tax preparation method, by gender, February 2015-March 2016

Figure 36: Tax preparation method, by age, February 2015-March 2016

Figure 37: Tax preparation method, by age, February 2015-March 2016

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com