

## Tax Refunds Earmarked for Debt Payoff

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Less than ten percent (9.1 percent) of these consumers plan to use their refund on a major purchase, according to the NRF 2005 Tax Returns Consumer Intentions and Actions Survey, conducted by BIGresearch for the group.

Women (11.5 percent) were almost twice as likely as men (6.5 percent) to allocate some of the return to a major purchase.

Thirty-nine percent of refundees expect to put money into savings, nearly 25 percent planned to use the money for everyday expenses and 13.4 percent planned to use at least some of the refund to travel.

“Tax time provides a monetary and psychological boost to consumers, as there is something exceptional about getting money back from the government,” said Tracy Mullin, president and chief executive officer of the National Retail Federation. “Throughout the month of April we expect retailers to offer a variety of promotions geared to encourage consumers to spend part of their refunds on new electronics, clothing and cars.”

Through March 18, the average refund was \$2,259, up 6.2 percent from \$2,128 at the same time last year, according to the Internal Revenue Service.

For the study, BIGresearch surveyed 6,366 consumers from Feb. 2 until Feb. 9.