More than half of the states require completion of a financial literacy course to graduate high school. But tax literacy is not prioritized in these courses.

While Congress and IRS have aggressively worked to quantify the tax gap and how individuals with business income are primary contributors, there is a research gap when it comes to these taxpayers’ own understanding of their tax obligations.

A college degree does NOT guarantee you know how to do your taxes.

You're on your own when it comes to taxes:

38% reported learning how to do taxes on their own.

33% reported learning how to do taxes in high school.

54% did not set aside money to pay taxes.

30% didn’t know and did not set aside money to pay taxes.

54% did not set aside money to pay taxes.

More than half of the states require completion of a financial literacy course to graduate high school. But tax literacy is not prioritized in these courses.

People do not know what’s due when:

One-third didn’t know whether they needed to pay quarterly-estimated taxes.

Quarter didn’t know how to pay their taxes.

54% did not set aside money to pay taxes.

37% felt nervous, scared or bad about filing taxes.

Almost 70% of respondents did NOT have a full-time job in the previous 6 months.

Of the Full-Time Employees (FTE) of 30.6% (n=170), 50% (n=85) are female and 48.8% (n=83) are male.

Approximately, 8% of respondents did NOT have a part-time job in the previous 6 months.

Of the Part-Time Employees (PTE) of 18.1% (n=99), 58.6% (n=58) are female and 41.4% (n=41) are male.

The $4.96 billion problem

And it’s growing!

A college degree does NOT guarantee you know how to do your taxes.

Less than 76% of respondents believe their degree guarantees they know how to do their taxes.

IT’S A PAY-TO-PAY SYSTEM

Three respondents hired someone or bought software to do their taxes.

53% respondent earning $40,000 or more in high school.

While Congress and IRS have aggressively worked to quantify the tax gap and how individuals with business income are primary contributors, there is a research gap when it comes to these taxpayers' own understanding of their tax obligations.

At the same time, research shows that the independent workforce is growing and that small businesses continue to have challenges accessing capital.

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