



**FOR IMMEDIATE RELEASE**

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## **Savings Gender and Age Gaps: Young Women Will Spend Far More of Their Tax Refund, New Visa USA Survey Finds**

### ***Only 30 Percent of Younger Women Will Save Their Tax Refunds; Least of Any Group***

SAN FRANCISCO, CA – April 26, 2007 – Significant gender and age gaps exist when it comes to saving money. A new survey released today from Visa USA shows women between the ages of 18 and 49 will save far less of their tax refunds than any other group.

The Visa survey shows that only 30% of women ages 18 to 49 plan to put the money they receive from their income tax refunds into savings. In contrast, 40% of men in that age bracket plan to put their refunds into savings. According to the survey, women ages 50 and over are the champion savers, with 48% saying their tax refunds will be saved. Men 50 and older are close behind, with 45% saying they will invest their refunds in savings, the survey found.

“Our research has found a dramatic gender and age gap when it comes to saving money. Women under 50 save far less of their tax refunds than other groups and this could have significant ramifications for their financial health,” said Jason Alderman, director of Visa USA’s financial education programs. “Taking advantage of tax refunds to save for retirement or a rainy day is vitally important.”

The Visa survey of credit and debit cardholders, which grouped respondents by gender and age (49 and younger or 50 and older), found the following statistics:

- Overall, 41% plan to save their refund; 31% will apply it to paying bills; 10% will use it for a major purchase; 7% will use it for everyday living expenses; 6% don’t expect to get a refund and 5% don’t know.
- Those planning to put their refund into savings span across all education levels, with 38% of those who have high school diplomas or less planning to save, and 41% of those who attended or graduated from college planning to save.
- Women under the age of 50 are the only group who plan to spend more than they set aside from their tax refunds, with 41% saying their refunds will go to paying bills and only 30% saying it will be saved.

In an effort to help all tax refund recipients cash in on a chance to save, today Visa USA released important money management tips encouraging consumers to make more of their hard-earned dollars work hard for them. These tips are being offered as part of Visa USA's free, online financial education program, *Practical Money Skills for Life*. Available at [www.practicalmoneyskills.com](http://www.practicalmoneyskills.com), they give consumers ideas for increasing their financial wealth while planning for the future, such as:

- **Earn interest on your savings:** Consider opening and putting money into a high yield online savings account that allows you to earn higher interest on savings than you might traditionally receive elsewhere.
- **Save for retirement:** Contribute to your employer's 401(k) plan or open an Individual Retirement Account (IRA). Some experts say for every five years you delay, you may need to double your monthly savings amount to achieve the same retirement income.
- **Save for education:** Open a 529 Qualified State Tuition Plan where you contribute to an account to fund a child's education. Account earnings are exempt from federal taxes when withdrawn if used for qualified expenses.
- **Invest in yourself.** Consider spending part of your refund on something good for your health (gym membership) or your community (charitable contributions).
- **Save for emergencies:** Create a "rainy day" fund in case you lose your job or incur unexpected medical expenses. Experts recommend putting aside at least three to six months of living expenses toward these unplanned events.
- **Don't overpay taxes.** Your primary goal should be to pay your fair share – no more, no less. If you get hundreds or thousands of dollars in refunds, then you've basically been giving the government an interest-free loan all year. Recalculate how much is being deducted each pay period. Someone in your employer's benefits department should be able to help.

Visa's *Practical Money Skills for Life* is a free, award-winning, teacher-tested and teacher-approved financial education program that is available in English, Spanish and Chinese. The program provides money management resources and lesson plans tailored for use at home, in the classroom or at work. It also contains an array of tips to help consumers prepare for life changing financial events, from planning a baby, to saving for college, to retirement. Visa also runs *What's My Score*, a leading higher education consumer awareness initiative. The free program guides young adults through the ABC's of a FICO credit score, from factors that can lower a score, to ways on improving it.

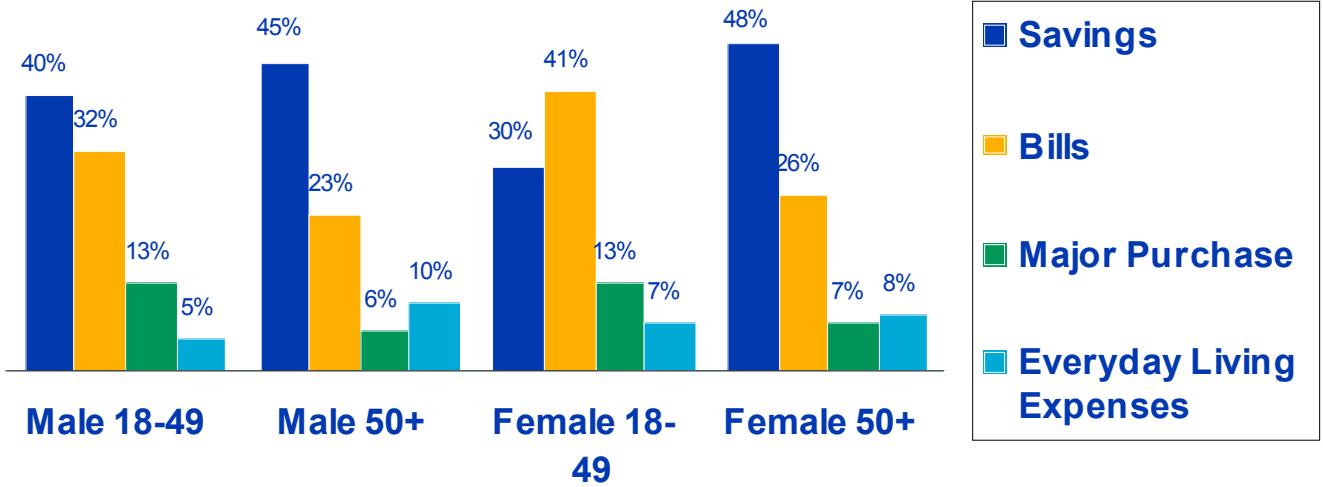
### **About Visa USA**

Visa USA is the nation's leading payment brand and largest payment system, enabling banks to provide their consumers and business customers with a wide variety of payment alternatives tailored to meet their evolving needs. Visa USA is committed to increasing the choice, convenience, acceptance and security of Visa payments for all stakeholders in the payment system - members, cardholders and merchants. Through its 13,432 member financial institutions, more than 510 million Visa-branded cards have been issued to cardholders in the United States. Last year, U.S.-based financial institutions relied on Visa's processing system, VisaNet, to facilitate \$1.6 trillion in transactions with unparalleled reliability.

Worldwide, cardholders in more than 150 countries carry more than 1 billion Visa-branded cards, accounting for more than \$3 trillion in annual transaction volume.

Visa offers a trusted, reliable and convenient way to access and mobilize financial resources - anytime, anywhere, anyway.

**When you receive either federal or state tax refunds, what do you generally do with the money?**



n=1007 Cardholders

***For more information or to schedule an interview with a Visa USA spokesperson, please contact Romney Willson at 703-683-5004, ext. 118.***

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