



Younger Consumers Less Aware of Common Tax Fraud Schemes, According to New Report From ACI Worldwide Developed in Partnership With YouGov

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Report also finds that consumers in all demographics are seeking counsel from tax professionals at higher rates as they navigate increasingly complicated filings this year.

MIAMI--(BUSINESS WIRE)--Apr. 4, 2023-- A new tax payment report from [ACI Worldwide](#) (NASDAQ: ACIW), a global leader in mission-critical, [real-time payment solutions](#), developed in partnership with [YouGov](#), shows that awareness of common payment fraud schemes during tax season is down year over year (YoY), making people more susceptible to potential fraud. The greatest change is among younger taxpayers, particularly Gen Z, where fraud awareness decreased from 83% in 2022 to 72% in 2023.

Gen Z trails all other age demographics in terms of the knowledge of common potential tax season fraud, such as email scams, ghost tax preparers and identity theft, among other methods. The report finds that 30% of respondents from Gen Z and 21% of Millennials said they would find out where to pay their taxes from a Google search or a friend or family member, which may result in taxes being filed or paid on a phony site.

"Because overall awareness of payments fraud is down this tax season, we must continue to focus on consumer education — especially among younger members of our workforce. It's important that we urge all taxpayers to be on high alert for potential fraud and protect their digital identity. Taxpayers also need to obtain information from official sources like the Internal Revenue Service (IRS) to ensure their filings are secure and properly completed," said Ron Shultz, head of the biller segment at ACI Worldwide.

This year's ACI-commissioned YouGov study also found that the total number of U.S. adults who plan to consult a tax professional to prepare their taxes has increased from 27% in 2022 to 30% in 2023, while the use of self-service electronic software has decreased by three percentage points YoY.

The rise in taxpayers seeking professional guidance may be due in part to increasingly complicated filings. Many taxpayers are having to consider new regulations rolled out by the IRS, such as Premium Tax Credits for qualified health plans and Clean Vehicle Credits. These considerations — in conjunction with growing consumer interest in ensuring personal filings are accurate and include all potential deductions — are driving taxpayers to consult outside experts.

"The data suggests that more people are turning to tax professionals to ensure their tax filing is made correctly. Taxpayers continue to adopt new forms of digital payment that are faster and safer than mailing a check to the IRS. However, we do see some differences in the types of digital payments each generation is comfortable using," Shultz added.

Interest among Americans across all age groups in using alternative payment methods — such as PayPal, Apple Pay, Google Pay or Venmo — has increased between 2022 and 2023. The study indicates a YoY increase in younger consumers planning to pay their taxes with a credit card, while Gen X and Baby Boomers are shifting to debit card payments. The new data also suggests that 5% of Gen Z and Millennials expect to use buy now, pay later services to make their income tax payments in installments.

For more than 20 years, ACI has supported the billing and payment needs of federal, state and local government entities with secure, Payment Card Industry-compliant solutions. Last year, ACI innovated [PayPal and Venmo mobile payment options for federal taxpayers](#), and to date, more than 10 million customers have paid their taxes and other bills using [ACI Payments, Inc.](#)

Additional Survey Insights

- Top three ways respondents will spend their refund:
 - 44% will deposit some or all of their refund into a savings account.
 - 34% will pay off debt.
 - 20% plan to make a minor purchase, such as clothing or sporting goods.
- 16% of people said they would embark on home improvement projects if they received a refund, which may lead to tax credits like energy efficiency and clean energy tax credits that might impact future tax returns.
- Only 12% of respondents said they would use a tax refund for a vacation, with Millennials (16%) demonstrating the greatest appetite for this option among the age groups surveyed and Baby Boomers being the least likely to use refunds for a vacation at 9%.

Survey Methodology

All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 1,191 adults. Field work was undertaken between March 1-2, 2023, and was carried out online. The figures have been weighted and are representative of all U.S. adults (aged 18+). Generations were defined as follows: Gen Z (born after 2000), Millennial (born 1982-1999), Gen X (born 1965-1981) and Baby Boomer (born 1946-1964).

About ACI Worldwide

[ACI Worldwide](#) is a global leader in mission-critical, [real-time payments software](#). Our proven, secure and scalable software solutions enable leading corporations, fintechs and financial disruptors to process and manage [digital payments](#), power [omni-commerce payments](#), present and process [bill payments](#), and manage [fraud and risk](#). We combine our global footprint with a local presence to drive the [real-time digital transformation](#) of payments and commerce.

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Media Contacts

Barbra Gonzalez

barbra.gonzalez@aciworldwide.com

Edelman Smithfield

aci-us@edelmansmithfield.com

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