

MARKETPLACE

MORNING REPORT

MONEY

TECH REPORT

MID-DAY UPDATE

latest

listen

latest

listen

latest

listen

latest

listen

latest

listen

HOME BUSINESS WORLD ECONOMY TECH SUSTAINABILITY YOUR MONEY WEALTH & POVERTY

SHOWS

DONATE

CONTACT | ABOUT
REGISTER | SIGN IN

LATEST STORIES • SONGS • PODCASTS • MAP: GUNS AND DOLLARS • MAP: AMERICA UNDERWATER

SEARCH MARKETPLACE

WEALTH & POVERTY

Like 14 Tweet 7 Share 0 0 S S

Persuading us to save not spend our tax refund



Justin Sullivan/Getty Images

Tax forms from previous years are displayed. In a new experiment, researchers will track a TurboTax reminder that urges taxpayers to save refunds.

00:00 00:00

Subscribe to podcast | Download audio | Embed player | Audio player assistance | Pop-Up | Support Marketplace

by Tracey Samuelson
Marketplace for Friday, February 8, 2013

STORY

The average tax refund last year was \$2,800 -- enough to feel like a bonus pay check or a surprise inheritance.

“Many people, when they get that refund check, it’s their one day of the year of solvency,” says [Richard Thaler](#), a professor of economics at the University of Chicago. “I’ve preached that we should try to exploit this opportunity by making it as easy as possible to take some of that money and save it.”

That’s the idea behind an experiment by Washington University in Saint Louis and Intuit during tax season this year. Approximately 1.2 million households that use Intuit’s free TurboTax to file their taxes will see their refund amount and, at the same time, they might see a suggestion for much of it they should save.

One potential message reads, “Have a family or thinking about starting one? Start planning a bright future for them.”

Tax filers will then have the option to send their refund or a portion of it directly to a savings account or use it to buy a U.S. savings bond.

Like 26,190 people like this. Sign Up to see what your friends like.

SIGN UP FOR OUR NEWSLETTER

The ending—improved workforce productivity—is always the same. Yet business people never seem to tire of our stories.

LEARN MORE

- TIME & ATTENDANCE
- SCHEDULING
- ABSENCE MANAGEMENT
- HR & PAYROLL
- HIRING
- LABOR ANALYTICS

LATEST STORIES COMMENTS

1. Car crash videos you can't stop watching, and why Russian corruption is to blame
2. XOXO: What your email sign-off says about you
3. Look, up in the sky ... a gold mine in space?
4. Phew! U.S. can't join the euro
5. The economy + Valentine's Day = True Love?

[View complete list >](#)

YOU MIGHT ALSO LIKE...

Explore Stories that share this feature's tags
[tax refund](#), [Saving](#)

1. [Listener questions on saving, spending, and managing debt](#)
2. [The ultimate safety net: Grandparents](#)
3. [A musician comes home](#)
4. [A saving-and-spending balancing act](#)
5. [The 401\(k\) system doesn't work](#)

It's crucial to give people an easy way to save before they have their checks in hand, says Michal Grinstein-Weiss, an associate professor at the Brown School of Social Work at Washington University.

In fact, she calls it the "golden moment."

"That's the moment when they need to decide what they're going to do with it," she says. "And that's when we're intervening."

Grinstein-Weiss will use a control group who don't receive the messages to see if the approach increases savings.

She's hoping that she'll succeed where the recent financial crisis did not. Despite an [initial uptick in savings](#) during the height of the recession, savings rates did not significantly change.

Harvard professor [Brigitte Madrian](#) says, actually, this new experiment has a better strategy than the crisis.

"If you got an email in your inbox that said, 'The financial crisis is happening, do you want to save more, click here,' that would lead to bigger behavioral changes than just people watching it on the television," says Madrian.

Like 14 Tweet 7 Share 0 0 S S

WITH GENEROUS SUPPORT FROM...

Marketplace thanks our sponsors for their continued support in the following categories.

SUSTAINABILITY COVERAGE	
• The Kendeda Fund	
EDUCATION COVERAGE	
• The Kresge Foundation	
ASIA COVERAGE	
• The Starr Foundation	
• The Henry Luce Foundation	
WEALTH & POVERTY COVERAGE	
• The Ford Foundation	
GENERAL SUPPORT	
• The John D. and Catherine T MacArthur Foundation	
• Newman's Own Foundation	

GET IT HERE: Newsletters Mobile Apps Facebook Twitter Podcasts RSS

- HOME
- SHOWS
- BUSINESS
- ECONOMY
- ELECTIONS
- LIFE
- SUSTAINABILITY
- TECH
- WEALTH & POVERTY
- WORLD
- YOUR MONEY

- MARKETPLACE PROGRAMS**
- Marketplace
 - Marketplace Morning Report
 - Marketplace Money
 - Marketplace Tech Report
 - Marketplace Mid-Day Update
 - ReMarket Podcast

- SPECIAL SECTIONS**
- Attitude Check
 - BBC on Marketplace
 - Commentary
 - Corner Office
 - Economy 4.0
 - Education
 - Freakonomics Radio
 - Health Care
 - Euro Debt Crisis
 - Food for 9 Billion

- MUST READS**
- Budget Hero
 - Future Jobs-O-Matic
 - The Big Book
 - The Whiteboard

AMERICAN PUBLIC MEDIA
261 S. Figueroa Street, Los Angeles, CA 90012



© 2013 | Terms and Conditions | Privacy Policy

PROGRAMS

SUPPORT AMERICAN PUBLIC MEDIA

MORE FROM AMERICAN PUBLIC MEDIA

[American RadioWorks](#)
[Composers Datebook](#)
[Marketplace Morning Report](#)
[Pipedreams](#)
[The Splendid Table](#)
[The Writer's Almanac](#)

[American Routes](#)
[Marketplace](#)
[Marketplace Tech Report](#)
[A Prairie Home Companion](#)
[The Story](#)
[More...](#)

[On Being](#)
[Marketplace Money](#)
[Performance Today](#)
[Saint Paul Sunday](#)
[SymphonyCast](#)

American Public Media's online services are supported by users like you. [Contribute now...](#)

[APM Podcasts/RSS Feeds](#)
[APM Newsletters](#)
[iTunes U](#)
[Public Radio Tuner](#)
[APM Careers](#)
[About APM](#)