



## The Way Americans are Earning a Living and Financing their Lifestyles is Shifting According to H&R Block's 'Outlook on American Life' Report

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**Drawing insights from its 21 million customers, the second annual report finds side hustles, post-retirement gigs and solopreneurs to be on the rise**

KANSAS CITY, Mo., Dec. 13, 2022 (GLOBE NEWSWIRE) -- Americans of all ages are finding different means of earning money, according to the latest 'Outlook on American Life' report from [H&R Block](#) (NYSE: HRB). This year's report, which includes insights generated from the 21 million Americans who filed their taxes with the company in 2022, reveals that the ways people are earning a living and financing their lifestyles continues to shift significantly. This shift includes the rise of side hustles, post-retirement gig jobs and solopreneurs.

"We're excited to again unveil insights and identify trends that tell a story of the many ways people are creating income, year-over-year," said Karen Orosco, H&R Block's President, Global Consumer Tax and Service Delivery. "It's clear the American landscape is shifting, and we are proud to meet those evolving needs as a company, whether through our financial product offerings, do-it-yourself and assisted tax platforms, or support for small business customers."

Gathering insights from actual tax return data nationwide, the 'Outlook on American Life' report provides a unique and clear perspective on how everyday Americans are adjusting to changing economic dynamics. Everything from people's new sources of income, changes in working and retirement ages, how they're investing for their future, and more, all point to a continuing shift in mindsets and approaches to how we live our financial lives.

### Do The 'Side' Hustle

Despite economic uncertainty, small business growth continued to rise significantly this past year – a stark contrast to what we saw during the pandemic nationwide. Demonstrating how the pandemic was a catalyst fueling many Americans to rethink their employment and be their own boss – in tax year 2022, H&R Block saw 168,000 new Schedule C tax filers (demonstrating sole proprietorship), a 26% increase from the prior tax year. While this evolution is happening nationwide, some of our warmer climate states like Florida and Texas are really proving to be havens for new business with more small businesses opened compared to before the pandemic.

While some may still think of small business owners in the brick-and-mortar mindset, the reality is that gig work is fueling a lot of new solopreneurs – or individuals who start and run a business independently without the support of a co-founder or W-2 employees. In the past year, more Americans have turned to gig work as their primary source of income with ride-sharing services and home rentals as the top categories for new business filings. App-based drivers increased by nearly 48%, and individuals who rented out their cars or homes rose by 152%.

### Booming Out of Retirement Back to Work

The report also gives a peek into how retirement is changing across the nation. Insights from the report reveal an increase in the number of retirees taking on side hustles to maintain income and to avoid tapping their retirement accounts. As costs of living rose nationwide, and opportunities for income-generation continue to diversify with gig work, we saw that four percent of retirees "unretired," or left retirement and rejoined the workforce in tax season 2022.

Additionally, the report showed that the number of H&R Block clients who took pension distributions, qualified retirement payments, or social security in tax season 2022 dropped for the first time by 2%.

"What we're seeing is likely surprising to this generation who greatly anticipated their retirement, not their un-retirement," said Orosco. "With continued financial challenges and inflation concerns, many retirement age Americans are actively seeking ways to augment their income. We see our clients demonstrating incredible resilience and finding new ways to apply the skills they built before they retired."

### The Crypto Craze Continued

Despite continued volatility in the crypto markets, data shows Americans' interest in the cryptocurrency industry did not slowdown last year. In fact, the number of crypto owners in the US nearly doubled in tax season 2022 with 44% of respondents saying they first bought crypto in the past year.\* Correspondingly, we saw an 85% rise in the number of clients who reported crypto transactions, or buying or selling of those currencies.

Crypto has shown it's not immune to the ups and downs of the financial markets so it will continue to be an area to watch in the year ahead. Whether you "buy and hold" like 85% of crypto owners do, or actively trade like 38% of owners do, it's a constantly evolving marketplace that requires attention and help in navigating for taxes year-round.

For more information and insights from H&R Block please visit [www.OutlookonAmericanLife.com](http://www.OutlookonAmericanLife.com).

\*Gemini 2022 Global State of Crypto

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