New Studies by H&R Block Show Gen Z Is Embracing Side Hustles First, Finances Last

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Gen Z has an optimistic and fresh approach to tackling their taxes; H&R Block has expertise to help a new generation of taxpayers

KANSAS CITY, Mo., Feb. 27, 2023 (GLOBE NEWSWIRE) -- As H&R Block (NYSE: HRB) encourages all Americans to celebrate tax season, it is also offering help to a new generation who is filing taxes – Gen Z. New research by H&R Block* revealed 52% of Gen Z has a side hustle, with nearly one in five reporting multiple side hustles. This means as first-time filers, they are a generation with more complicated circumstances than their parents and generations before them.

“As our survey highlights, two great characteristics of Gen Z are their creativity and independence,” said Jill Cress, Chief Marketing and Experience Office at H&R Block. “While more than half have fully embraced a side hustle, many aren’t familiar with tax implications that could cause confusion this tax season. At a time when every dollar matters, H&R Block clients can be confident in our expertise to help them get the maximum refund they deserve, guaranteed.”

With 39% of Gen Z making more than $600 from side hustles such as selling items online, investing, and gambling, more than 70% did not keep detailed records over the last year of how they made money from these side activities. Very few Gen Zers know which activities require them to pay taxes on their earnings. In fact, they’re split on knowing whether to pay taxes on peer-to-peer payment apps. Although the IRS announced it will delay the 1099-K threshold until the 2024 tax season for gig workers that use apps like PayPal, Venmo, Etsy or Facebook Marketplace, taxpayers should prepare now by tracking receipts and records to ensure they report the correct amount of gain or loss next tax season.

Contrary to popular belief, Gen Z does not turn to social media for tax advice. Only 16% said they would get information about taxes from social media, while most turn to people they trust like parents or tax professionals.

“We hear a lot about #TaxTok – tax tips on TikTok – and while some provide reliable tips, it was good to learn from our survey that Gen Z is turning to trusted sources for tax advice, like an H&R Block tax pro,” said Cress.

Armed with this tax advice, Gen Z is very optimistic about receiving a refund, with 92% expecting one this year. And, as some plan to spend their refund wisely, using their refund to get out of debt and build savings, 91% say they treat themselves when they’re done (a trend that fades with older generations). After doing their taxes, younger filers are more likely to unwind with a favorite show or hobby.

Throughout the process, there are expert, on-demand H&R Block expert tax professionals that can help whenever needed. Not to mention, a maximum refund is guaranteed, and results are available in real time, which is perfect for 55% of taxpayers that claim they start and finish their taxes all at once.

Files your taxes today at HRBlock.com

**“2023 The H&R Block Survey” conducted by Wakefield Research among 1,000 U.S. adults*
***“2023 DIY Client Experience Survey” conducted by H&R Block among 2,406 U.S. adults.*

About H&R Block
H&R Block, Inc. (NYSE: HRB) provides help and inspires confidence in its clients and communities everywhere through global tax preparation services, financial products, and small-business solutions. The company blends digital innovation with human expertise and care as it helps people get the best outcome at tax time and also be better with money using its mobile banking app, Spruce. Through Block Advisors and Wave, the company helps small-business owners thrive with innovative products like Wave Money, a mobile-first, small-business bank account and bookkeeping solution, that manages bookkeeping automatically. For more information, visit H&R Block News.

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