



ALLIANCEBERNSTEIN

## Americans Plan To Use Tax Windfalls Wisely, Says New Alliance Capital/Harris Poll

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**New York, NY – April 2, 1998** Demonstrating that the average American sees more than short term purchasing power in the refund checks arriving now in their mailboxes, a new Alliance Capital/Harris poll has found that a majority of Americans who expect tax refunds this year intend to use them to improve their financial circumstances rather than spending their windfalls on new purchases. Of those Americans that expect refunds from their 1997 tax year filings, 37% expect to use the cash to pay debts and 35% intend to invest or save the refunded money. Only 13% expect to spend their tax refund on a new purchase.

"We are heartened to see Americans sensibly resisting the temptation to spend their refunds and instead using windfall cash to improve their financial situation," said John Carifa, President of Alliance Capital Management L.P. "We urge everyone to follow through on these intentions and speak to their financial advisor about ways to put that extra money to work for their future security."

Alliance Capital's poll found that 60% of Americans filing tax returns expect to receive a refund in 1998, with those aged 18 through 24 being most likely to expect money back. On the other hand, 36% of filers expect to owe taxes, of which 39% expect to cover the shortfall with savings or through the sale of investments.

"Those that are receiving unexpectedly large refunds or finding their tax bills to be larger than expected would be well advised to speak to a qualified tax advisor or accountant about ways of planning ahead more effectively," added Carifa.

These findings are the latest from **Alliance Capital's Financial Preparedness Study**-- an ongoing series of national polls that spotlight issues of savings and investment that affect individuals' abilities to plan for and fund their life goals. This most recent poll was conducted by leading research firm Louis Harris & Associates, Inc. in March 1998, surveying a national cross-section of 1005 adults.

### About Alliance Capital

With over \$218 billion in assets under management, Alliance Capital is helping investors worldwide reach their investment goals. The New York-based investment manager is one of the world's largest mutual fund providers, with millions of individuals investing through the firm's family of 181 fund portfolios. In addition, Alliance manages retirement assets for 31 of America Fortune 100 companies, public pension funds in 33 U.S. states, and retirement funds for some of the largest U.S. employee benefit plans.

**(Detailed statistics on these findings are available on request)**

### Methodology

This Harris Poll was conducted by telephone within the United States between March 11 and March 16, 1998, among a nationwide cross-section of 1005 adults. Figures for age, sex, race, education, and number of adults in household were weighted where necessary to bring them in line with their actual proportions in the population.

In theory, with a sample of this size, one can say with 95% certainty that the results have a statistical precision of plus or minus 3% of what they would be if the entire adult population had been polled with complete accuracy. Unfortunately, there are several other possible sources of error in all polls or surveys that are probably more serious than theoretical calculations of sampling error. They include refusals to be interviewed (non-response), question wording and question order, interviewer bias, weighting by demographic control data, and screening (e.g., for likely voters). It is difficult or impossible to quantify the errors that may result from these factors.

These statements conform to the principles of disclosure of the National Council on Public Polls.