



# Personal Finance and the Importance of Tax Education

## The state of personal finance

Students are leaving high school without the finance skills and knowledge to support their postsecondary lives, particularly students of color and those living in low-income households. This lack of preparation comes while the [racial wealth gap](#) is greater today than it was at the start of the century, and [economic mobility](#) continues to be a challenge.

According to the [2021 State of Financial Education Report\\*](#) from Next Gen Personal Finance, personal finance education is not made equally accessible, let alone guaranteed, for all students. Across the U.S., only a portion of today's high school students are guaranteed, or required by state law, to take a personal finance course, and this figure drops dramatically for students from underrepresented or underserved communities.

While states are beginning to shift to formal finance education requirements, it has yet to take hold equally and equitably for all students as they enter the workforce and begin managing their financial lives.

## Tax education

When it comes to personal finance education, there's one topic every student needs to learn but may not be commonly taught in the classroom: taxes. Tax time can be anxiety-inducing and stressful if you aren't taught how to file. Yet, students are eager to learn the tools they'll need to succeed in the real-world. A topic like tax can make a moderately-engaged student excited to learn the relevant and meaningful content.

For educators, our federal tax system doesn't make it easy. Tax law is complex and nuanced, changing every year. Technology for tax submission is always evolving or can be inaccessible in the classroom. This means students may be learning to fill out outdated 1040-EZ forms or calculate their withholdings by hand, rather than with tools and resources they're likely to encounter when the time comes. By making taxes easier to teach, our hope is more students will learn this skill early, well before their taxes increase in complexity as they mature into their futures.

Ratio of high school students guaranteed to have taken a personal finance course\*:

1 in 5  
across all U.S. students

1 in 13  
within schools where of more than 75% students are eligible for Free and Reduced Lunch

1 in 14  
within schools made up of more than 75% Black and Brown students

## Preparing all students to thrive in their financial futures

At Intuit, we understand finances are both an important part of prosperity and a source of anxiety. Our products, QuickBooks, TurboTax, Mint, Credit Karma and Mailchimp, aim to ease the challenges in our financial lives, and we believe the earlier individuals learn the in's and out's of personal finance, the stronger our communities will be.

We built our [Financial Literacy Foundations](#) course to help all students manage their futures with confidence and make it easy for educators to bring into the classroom. Through a personal finance curriculum featuring real-world software, students can begin building the financial habits today that will lead to strong financial behaviors in the future. The learning modules can be taught in class or at home at a student's own pace, consisting of seven modules covering topics such as budgeting, credit cards, savings, and taxes. The course gamifies real-world tools to reduce the stress of personal finance and make it fun and relevant for students. It demystifies the confusing parts of finance, including tax, by using tools like tax preparation software they'll need to understand year over year.

"Teaching students skills like taxes, skills they'll need to use year after year, are what they crave in the classroom. They want to know what they're learning will help them succeed in their futures. Simulations that bring those real-world scenarios to life through comprehensive tax preparation software help keep them engaged with their coursework, cementing those skills for the long-term."

**D. Cook, Cary-Grove High School, Illinois**

Tax time doesn't have to equate to a lifetime of stress, and strong financial management skills should be available to everyone, early enough to build successful financial futures. In partnership with educators, administrators and nonprofits, we're committed to preparing students today to be successful tomorrow.

Intuit and EVERFI are helping students develop healthy financial habits and build confidence around handling their taxes. You do not need to be an expert to teach taxes, and we recommend teaching to grade levels 9–12. Students can access Intuit's new [TurboTax simulation](#) for free. To learn more, visit [Intuit.com](https://intuit.com).

\* Next Gen Personal Finance, [2021 NGPF Annual Report](#)