

FINANCIAL Insights

April

By the Numbers: Tax Season

It might not be the most wonderful time of the year, but it is arguably the most important. With tax filing season upon us, here are some statistics from previous tax filing years.



\$2,860

The average refund per tax return for the 2016 calendar year. This represented a 2.3 percent increase from the previous year, meaning that tax returns essentially kept pace with inflation.



9 hours

The average amount of time that non-business filers will spend on filling out a 1040, 1040A or 1040EZ tax form.



152.5 million

Amount of individual income tax returns that the IRS received in the 2016 calendar year. This represented a 1 percent increase from the previous calendar year. Of the total number of returns, over 86 percent were filed electronically.



\$120

The average amount that a non-business filer spends on filing a tax return.



\$317.6 billion

The total combined amount of refunds issued to all tax filers in 2016, a 3.8 percent increase from the previous year.



\$91.9 billion

Total amount of refundable tax credits paid out to taxpayers from the 2014 tax year, a slight decrease from the \$92.6 billion paid out in the previous year.



111 million

The total number of refunds issued by the IRS in 2016, an increase of 1.5 percent from 2015. Roughly 73 percent of filers were issued a refund.



22 hours

The average amount of time that a business spends filing their taxes.



53 million

The number of self-prepared electronic tax returns in 2016. This marked a 5.4 percent increase from 2015.



\$430

The average amount that businesses will spend on filing their tax forms.



\$38,171

The median adjusted gross income (AGI) per tax filer in tax year 2014.



\$9.77 trillion

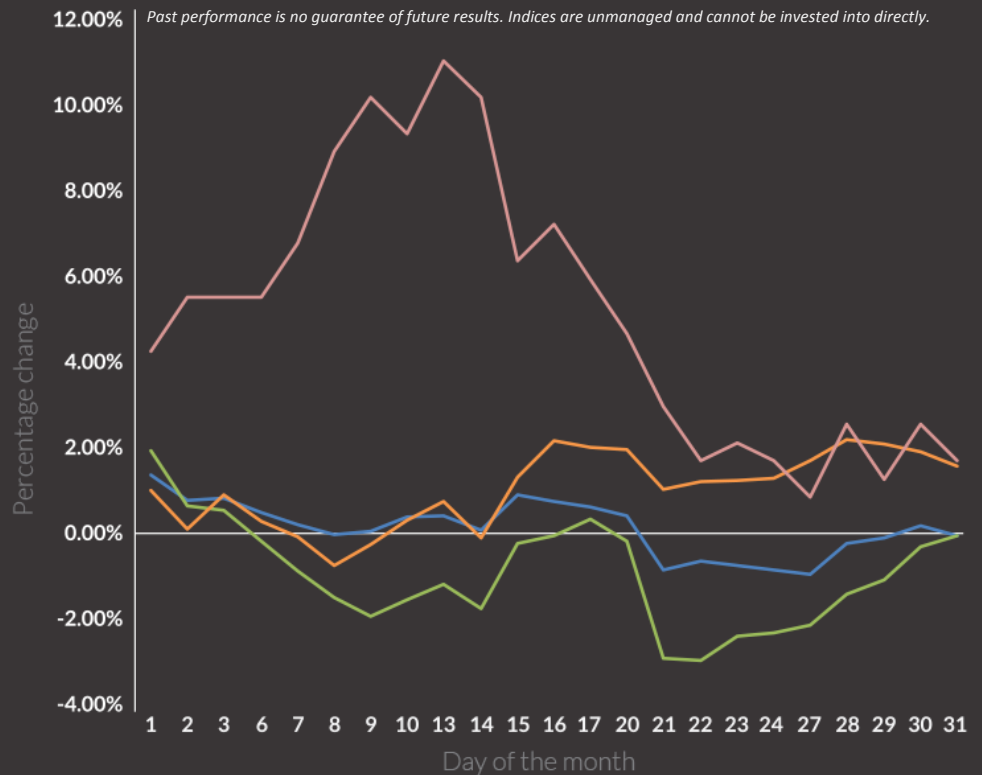
Total adjusted gross income (AGI) in the United States for the 2014 tax year, a 6.1 percent increase from the previous year. Fueling the rise in AGI was a notable increase in salaries and wages (4.8 percent), capital gains (34.4 percent), dividends (14.7 percent) and other items related to taxable income.

All information courtesy of the IRS

the market at a glance

March

■ U.S. Large Cap (S&P 500)	2,362.72 (-0.04%) ▼
■ U.S. Mid/Small (Russell 2000)	1,385.92 (-0.05%) ▼
■ International Large (NYSE International 100)	5,153.78 (1.58%) ▲
■ U.S. Treasuries (U.S. 10-Year Treasury Yield Rate)	2.40 (1.69%) ▲



The market in action

- David Rockefeller, noted philanthropist and banker, passed away in March at 101 years old. He donated approximately \$900 million over his lifetime. This means that, on average, Rockefeller donated more than \$24,000 every day of his life.
- The total GDP of the world is worth about \$74 trillion. The United States' economy alone represents about 24 percent of the global total.
- According to a study from Amino, 37 percent of Americans cannot afford a medical bill that exceeds \$100.
- In 2015, 52 of the 100 largest cities in the US had more renters than property owners.
- Petroleum, gas and coal accounted for 94 percent of America's energy consumption in 1970. In 2015, that number dropped to 82 percent. However, total energy consumption in the United States increased by nearly 44 percent.
- According to Global Finance Magazine, the Central African Republic is the poorest nation in the world. For context, the Central African Republic's GDP per capita, \$656, is just 1 percent of the United States.
- Of the estimated 1,800 billionaires in the world, only four countries are home to more than 100 billionaires. Germany and Switzerland both boast 120 billionaire residents, whereas China has over 250. The United States has the most billionaire residents in the world, totaling 540. This means 30 percent of the world's billionaires are residents of the United States.
- For the second straight year, RadioShack is filing for bankruptcy. In the wake of filing Chapter 11, the company is expected to immediately close nearly 200 of its 1,500 stores.
- AIG's CEO, Peter Hancock, plans to resign after serving for more than two years in his position. However, Hancock will remain active in the company until a proper successor is hired.
- The highest paying job in 2017 is being a physician. Of the 25 most lucrative jobs, 17 were in either health care or technology.



Where the Money Goes

As you look over your tax payments for calendar 2016, you're undoubtedly wondering where those dollars are being spent.

The Wall Street Journal recently published a chart which breaks down spending for every \$100 of tax receipts—and concludes that the U.S. government is actually a very large insurance company that also happens to have an army.

For every \$100 you pay in taxes, \$23.61 goes to Social Security payments and administration—basically old age insurance for retirees. Another \$15.26 goes to Medicare, the government health insurance program. Medicaid, the health insurance program for the poor, accounts for another \$9.55 of that \$100 tax bill—bringing the total costs for various civilian insurance programs to 48% of the total budget. And that army? It costs \$15.24 of every \$100 the government collects in taxes, not counting veterans benefits.

In all, the 2016 federal budget fell \$15.24 out of every \$100 short (the budget deficit for the year) of revenues equaling expenses. In 2011, the budget deficit (shortfall) for the year was much higher at \$35.70 for every \$100 of taxes collected. Where would you cut?

Things like federal expenditures and grants for education (\$2.08), food stamps (\$1.89), affordable housing (\$1.27) and foreign aid (\$1.14) actually make up a very small part of the budget, smaller than interest payments on the national debt (\$6.25).

There has been talk about helping reduce the budget by lowering expenditures on the National Endowments for the Arts and Humanities, which together represent eight tenths of one cent (\$0.008) of that \$100 tax bill. This would be comparable to someone trying to pay off his mortgage by looking for coins under the sofa cushions.

- Bob Veres

Source:

<https://www.wsj.com/articles/how-100-of-your-taxes-are-spent-8-cents-on-national-parks-and-15-on-medicare-1492175921>

Meritas Advisors, LLC
info@meritasadvisors.com
meritasadvisors.com

4040 Civic Center Dr., Suite 200
San Rafael, CA 94903
415-690-8547

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