

**MEMORANDUM**

**TO: AMERICANS FOR CONSUMER EDUCATION AND COMPETITION**

**FROM: THE TARRANCE GROUP  
LAKE, SNELL, PERRY**

**RE: KEY FINDINGS FROM A NATIONAL SURVEY OF HIGH SCHOOL SENIORS REGARDING PERSONAL FINANCE ISSUES**

**DATE: FEBRUARY 16, 2001**

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The Tarrance Group and Lake, Snell, Perry are pleased to present Americans for Consumer Education and Competition with the key findings from a nationwide survey of high school seniors regarding personal finance issues. These key findings are based on telephone interviews with N=801 high school seniors throughout the country. Responses to this survey were gathered February 4-11, 2001 and the confidence interval associated with a sample of this type is  $\pm 3.5\%$

**LIFESTYLE CHARACTERISTICS**

- Sixty-nine percent (69%) of high school seniors indicate that they hope to attend a four-year college or university upon graduation. Twenty-six percent (26%) of high school seniors indicate that they hope to attend a two-year college or vocational training program upon graduation. Only five percent (5%) of high school seniors indicate they intend to seek full-time employment upon graduation.

The intent to attend a four-year college or university after graduation stands at seventy-two percent (72%) among female high school seniors and 65% among male high school seniors. The intent to attend college or university is approximately 15-20 points higher among students whose parents are college-educated.

There is no difference between white students and African American students in terms of their intent to attend university, with 71% of respondents in both groups indicating they intend to attend a four-year college or university. However, intent to attend college drops to fifty-six percent (56%) among Hispanic high school seniors.

The desire to pursue vocational or technical school or other specialized training after graduation is higher among high school seniors in the Central Plains and West regions (35%), as well as among Hispanic students, and students whose parents did not attend college or university.

- Fully two-thirds of high school seniors, sixty-six percent (66%) have jobs that they maintain throughout the year, working full-time or part time during both the school year and the summer break. Only thirteen percent (13%) of high school seniors do not work at all, either during the school year or during the summer break.

There is no gender gap in terms of propensity to maintain a job throughout the year, with 67% of male high school seniors and 65% of female high school seniors indicating that they work regularly throughout the year. Seventy percent (70%) of white high school seniors indicate that they work regularly throughout the year, while approximately 58% of African American and Hispanic high school seniors say that they work regularly throughout the year.

Seventy percent (70%) of high school seniors who do not receive a regular allowance from their parents or guardians indicate that they work regularly throughout the year, but this drops to only 50% among those high school seniors who do receive a regular allowance from their parents or guardians.

- Sixty-three percent (63%) of high school seniors indicate that their parent(s) have encouraged them to have a job during high school. Only twenty-seven percent (27%) of seniors say that their parent(s) have discouraged them from having a job.

The parents or guardians of female high school seniors are somewhat more likely to discourage their children from having a regular job (30%) than are the parents of male seniors (25%.) Fully a third of parents or guardians of African American seniors (33%) have discouraged their children from having regular jobs and concentrating on their studies. It is also worth noting that college-educated parents and guardians are more likely to discourage their children from maintaining regular jobs than are non-college educated parents and guardians.

- Six in ten high school seniors currently have access to an automobile of which they are the primary driver. Thirty-four percent (34%) of high school seniors do not have access to an automobile.

As would be expected, access to an automobile is highest among high school seniors in the Mountain States and Central Plains regions (approx. 80%) and lowest in the Northeast region (51%.) Access to an automobile also increases with the family household income, climbing from 58% among seniors residing in a household with an income of less than 50K to 77% among seniors residing in a household with over 75K in household income.

Over sixty-five percent (65%) of high school seniors who work regularly or occasionally have primary access to an automobile, while access to an automobile drops to 44% among non-working students.

- A majority of high school seniors, fifty-two percent (52%), are “frequent” internet users and make use of the internet almost every day. Only five percent (5%) of high school seniors do not make use of the internet.

Frequent internet use stands at approximately 60% among high school seniors in the Northeast and Central Plains regions, and stands at approximately 50% in all other regions of the country except for the Mountain States region, where only 38% of high school seniors are frequent internet users.

Frequent internet use also stands at approximately 60% among high school seniors who reside in the household of a college-educated parent or guardian, but drops to approximately 50% among seniors who reside in the home of a non-college educated parent or guardian.

- Issue concerns for high school seniors are much more focused on crime, drugs, and violence than are older Americans. Sixteen percent (16%) of high school seniors believe that crime and violence are the number one problem facing the country today. There are also 12% of high school seniors who believe that drugs is the number one problem. There is far less focus on economic and pocketbook issues, with less than one in ten high school seniors indicating that an economic or pocketbook issue is the most important problem.

Focus on the issue of crime and violence is driven by high school seniors in the Midwest region (22%), as well as among African American seniors (22%), seniors residing in households with incomes of between 75-100K (23%), and self-reliant money managers (20%).

Concern about the issue of drugs is driven by Hispanic seniors (18%), seniors residing in the household of a single college-educated parent or guardian (19%), and students who do not have bank accounts (18%).

## **FINANCIAL CHARACTERISTICS**

- Twenty-seven percent (27%) of high school seniors indicate that they receive a regular allowance from their parents, while five percent (5%) “sometimes” receive an allowance from their parents.

Receipt of a regular allowance is significantly higher among high school seniors in the Mountain States (37%) and West (33%) regions than it is among high school seniors in the rest of the country. There is also a higher incidence of regular allowances among African American (33%) and Hispanic (34%) seniors than among white seniors (24%).

Five percent (5%) of high school seniors receive over \$100 a month in allowance, while 13% receive between \$50-\$100 a month in allowance, and 9% of high school seniors receive less than \$50 a month in allowance.

- Among those high school seniors who do receive an allowance from their parents, fifty percent (50%) are required to use this money to pay their bills and expenses, while an equal 50% are not required to use this money to pay their expenses.

There is a gender gap on this issue, with 55% of males indicating they are required to pay their bills from this allowance. Among female high school seniors, forty-five percent (45%) are required to pay their bills from this allowance, and 55% are not.

Working students (52%) are more likely to be required to pay their bills from their allowances than are non-working students (42%), and there is also a much higher incidence of being required to use allowance to pay bills among students who have their own ATM cards (58%) and their own credit cards (62%).

- Eighty-two percent (82%) of high school seniors currently maintain some type of bank account. Half of seniors, forty-nine percent (49%), just have a savings account, and there are also 5% who just maintain a checking account. Twenty-eight percent (28%) of high school seniors maintain both a checking and savings account.

As would be expected, household income is the single most significant contributor to the propensity of a high school student to have some type of bank account. While 95% of high school seniors residing in households with annual incomes of excess of 100K have some type of bank account, this number drops to 55% among students residing in households with annual incomes of under 25K.

Similarly, while 80% of working high school seniors maintain some sort of bank account, fully forty-one percent (41%) of seniors who do not work also do not maintain any sort of bank account.

- The bank account balances of high school seniors are fairly modest, with 48% of high school seniors having less than \$1,000 in their bank accounts. Twenty-two percent (22%) of high school seniors have between \$1,000 and \$5,000 in their bank accounts, and only 8% of high school seniors have more than \$5,000 in their bank accounts.
- Only a little more than a third of high-school seniors, thirty-six percent (36%) currently have an ATM or debit card of their own. However, of those high school seniors that do have an ATM or debit card, fully 82% manage that account on their own.

Possession of an ATM card is very high among high school seniors in the Mountains States region, where fully sixty-four percent (64%) indicate they have an ATM card. There is also a higher occurrence of ATM cards among seniors in the West region (42%.) There is also a significantly higher incidence of ATM cards among high school seniors who work regularly during the summer and school year, with 41% of these respondents indicating they have an ATM card.

- One in four high school seniors, twenty-five percent (25%) have stocks or mutual funds that are in their own name or belong to them and are kept in their parents' name. Fourteen percent (14%) of high school students have stocks, while 11% have mutual funds.
- Thirteen percent (13%) of high school seniors currently have a credit card of their own. Among those high school seniors who do have a credit card of their own, 58% are required to pay all of the bills from of this credit card, while 7% share the costs with their families. A third of those high school seniors that have a credit card are not required to pay any of the bills from those cards themselves.

There are not the geographic differences in credit card use that are found with ATM card use, and it also interesting to note that credit card use is as high among Hispanic high school seniors (14%) as it is among white high school seniors (14%.) Only eight percent (8%) of African American high school seniors currently have a credit card. It is also interesting to note that there is no difference between working and non-working students in terms of credit card use. Only twenty-two percent (22%) of high school seniors who have an ATM card also make use of a credit card.

- On average, high school seniors estimate that they spend \$191.68 each month in cash and credit card expenses. Over two-thirds of high school seniors say they spend less than \$200 a month in cash and credit card expenses, and only 4% say they spend more than \$500 a month.

The mean estimate of monthly expenditure in cash and credit card expenditures stands at \$215 among male high school seniors and \$166 a month among female high school seniors. There is also not much difference between working and non-working students in terms of their monthly expenses. While working students estimate that they spend \$207 per month, this figure stands at \$191 among non-working students.

As would be expected, possession of an automobile, ATM card, or credit card has a significant impact on estimated monthly expenses:

**Estimated Monthly Expenditures**

|                         |          |
|-------------------------|----------|
| Self-financed driver    | \$315.62 |
| Non-driver              | \$142.04 |
| ATM banker              | \$246.20 |
| Non-ATM banker          | \$165.50 |
| Non-banker              | \$152.71 |
| Credit card student     | \$247.85 |
| Non-credit card student | \$182.95 |

**INTEREST IN & EXPOSURE TO PERSONAL FINANCIAL ISSUES**

- Only a third of high school seniors, thirty-three percent (33%) believe that “financial issues” have strong impact on their daily lives. Forty-six percent (46%) believe that financial issues have a moderate impact on their daily lives, while 20% believe that they have only a minor impact on their daily lives.

The view that financial issues have a strong impact on their daily lives is driven by high school seniors at the lower end of the socio-economic spectrum. Over 40% of seniors who reside in households with annual incomes of less than 50K believe that financial issues have a strong impact on their lives. This view also stands at 49% among seniors who reside in single non-college parent/guardian households, 45% among African American high school seniors, and 42% among non-working students.

The twenty percent (20%) of high school seniors who believe that financial issues have only a minor impact on their daily lives is comprised largely of Hispanic seniors (29%), seniors in the Midwest region of the country (24%), seniors who intend to seek employment upon graduation (33%), and students who have their own credit cards (25%).

- Family discussions about family money matters are fairly prevalent among high school seniors. Thirty-five percent (35%) of seniors indicate that their parents or guardians frequently discuss family money matters with them. Another thirty-seven percent (37%) say that they are sometimes involved in family discussions about money matters. Only twenty-six percent (26%) of high school seniors are not exposed to discussions about family money matters.

The subgroup of high school seniors who receive the most exposure to discussions of family money matters is made up largely of Hispanic seniors (42%), seniors residing in the Mountain States region (43%), seniors residing in single, non-college parent/guardian households (42%), seniors residing in households with annual incomes of less than 50K (40%), and students who have taken finance curriculum in school (38%).

Family discussions about family money matters are least prevalent among African American high school seniors (33%), seniors residing in households with annual incomes in excess of 75K (31%), and students who have their own credit cards (32%).

- Four in ten high school seniors, thirty-nine percent (39%), believe that they are extremely or very familiar with the details and specifics of personal financial issues like savings, taxes, credit, loans, insurance, and investing. Fifty-five percent (55%) say that they are “somewhat” familiar with the specifics of these personal financial issues, and only 6% say they are “not at all” familiar with the specifics of personal financial issues.

High school seniors who are more involved in personal financial issues are more likely to believe that they are extremely or very familiar with the details and specifics of personal finance issues. Forty-four percent (44%) of regular working students believe they are very familiar with personal finance issues, as do 46% of ATM card holders, and 49% of credit card users.

- Parents and family members are the main sources of information about personal financial matters for high school seniors, with forty-five percent (45%) indicating that their parents and family members are their main source of information. Twenty-two percent (22%) rely on courses in school as their main source of information, while 13% say they have learned the most from their own personal experiences. Only one in ten seniors indicate they rely on TV, radio, newspapers, and magazines as their primary source of information.
- High school students believe they know the most information about savings and savings plans (33%) and budgeting issues (34%). Less than one in ten high school seniors feel they are most informed about taxes, investing, or credit cards.
- Investing is the area of personal finances where high school seniors believe they know “the least”. Forty-five percent (45%) of high school seniors indicate this is the specific area of personal finances that they know the least about. There are also 16% of seniors who believe they know the least about taxes, and 15% who believe they know the least about insurance.

- Three of every four high school seniors, seventy-five percent (75%), indicate that they have some sort of financial coursework in high school. Six in ten high school seniors, sixty-four percent (64%) have taken an economics course, while 11% have taken a personal finance or money management course during their time in high school.

Approximately eight in ten high school seniors in the South Central and West regions indicate they have take some finance curriculum in high school, and participation stands at approximately 70% in every other region of the country, except for the Mountain States region where only 59% of high school seniors indicate they have taken any finance courses.

Approximately 75% of students who intend to attend college or vo-tech training upon graduation have taken some sort of finance curriculum in high school, but only 53% of seniors who intend to enter the workforce upon graduation have taken any of this coursework.

### **KNOWLEDGE OF PERSONAL FINANCIAL ISSUES**

- One of the key batteries of questions in this study involved examining the level of knowledge that high school seniors have with regard to the whole range of personal financial matters.

This battery of thirteen (13) questions tested the knowledge of high school seniors on issues like interest rates, savings and retirement strategies, loans, credit cards, taxes, and calculating net worth.

- The results of this battery of questions points to a significant deficiency in knowledge of personal financial issues among high school seniors. On average, high school students were only able to answer 4.52 out of the 13 questions, or 34.6 % of the questions correctly.
- As you can see from the chart on the next page, even the high school seniors who are most involved in the economy and have had exposure to personal financial issues – regular working students, ATM and credit card students, and seniors who have been regularly exposed to discussions of family finance matters – demonstrate only a slightly greater level of knowledge than their less experienced counterparts:

**MEAN SCORES**  
*(of a possible total of 13.00)*

|                 |      |
|-----------------|------|
| Northeast       | 4.44 |
| Midwest         | 4.61 |
| South           | 4.43 |
| South Central   | 4.62 |
| Central Plains  | 4.81 |
| Mountain States | 4.57 |
| West            | 4.42 |

|        |      |
|--------|------|
| Male   | 4.92 |
| Female | 4.11 |

|                  |      |
|------------------|------|
| White            | 4.87 |
| African American | 3.89 |
| Hispanic         | 3.70 |

|                       |      |
|-----------------------|------|
| Finance curriculum    | 4.60 |
| No finance curriculum | 4.27 |

|                  |      |
|------------------|------|
| College bound    | 4.72 |
| Vo-tech bound    | 4.06 |
| Employment bound | 4.11 |

|                                  |      |
|----------------------------------|------|
| 2 parent college educated HH     | 4.83 |
| 2 parent non-college educated HH | 4.36 |
| 1 parent college educated HH     | 4.56 |
| 1 parent non-college educated HH | 4.01 |

|                     |      |
|---------------------|------|
| Under 25K HH income | 3.77 |
| 25-50K HH income    | 4.42 |
| 50-75K HH income    | 4.74 |
| 75-100K HH income   | 4.61 |
| 100K + HH income    | 5.27 |

|   |      |
|---|------|
| Frequent family finance discuss student   | 4.62 |
| Occasional family finance discuss student | 4.45 |
| Non-family finance discuss student        | 4.47 |

|                            |      |
|----------------------------|------|
| Regular working student    | 4.55 |
| Occasional working student | 4.67 |
| Non-working student        | 4.09 |

|                         |      |
|-------------------------|------|
| ATM banking student     | 4.92 |
| Non-ATM banking student | 4.58 |
| Non-banking student     | 3.60 |

|                         |      |
|-------------------------|------|
| Credit card student     | 4.87 |
| Non-credit card student | 4.46 |

|                          |      |
|--------------------------|------|
| Frequent internet user   | 4.70 |
| Occasional internet user | 4.34 |
| Non-internet user        | 4.13 |

- As you can see from the charts above, the personal financial “acumen” of high school seniors is quite low, with no single subgroup scoring any better than 41% on their knowledge of personal financial issues.
- As would be expected, fundamental socio-economic variables such as household income, and parental education level have some impact on the scores, but the differences are not very significant. The differences between male and female high school seniors is also of some significance.
- However, other factors such as work experience outside the home, involvement in family discussions about financial matters, exposure to finance coursework in school, and levels of personal financial activity (ATM and credit cards) do not cause significantly greater personal financial acumen.

**Personal Financial Issue Quiz**

As has already been noted, the personal financial issue quiz was based on a series of thirteen (13) specific questions on a wide range of personal financial issues. The specific questions, options and responses are reviewed below:

**Savings:**

22. What percentage of the money you make do experts believe you should save each month? **(DO NOT READ VALUES, JUST RECORD)**

|                      |     |
|----------------------|-----|
| 1-5% .....           | 2%  |
| 6-10% .....          | 9%  |
| 11-15% .....         | 3%  |
| 16-20% .....         | 4%  |
| 21-25% .....         | 2%  |
| 26-30% .....         | 2%  |
| 31-40% .....         | 1%  |
| 41-50% .....         | 7%  |
| 51-75% .....         | 3%  |
| 76% or more.....     | 1%  |
| UNSURE/DK (DNR)..... | 66% |

- Only two percent (2%) of high school seniors correctly answered that experts believe that you should save between 20-25% of your money each month. Furthermore, fully two thirds of high school seniors did not even feel well enough informed to hazard a guess as to the prudent level of savings that should occur each month.

**Interest from Savings:**

23. Which of the following methods will allow you to earn the most money from your savings? Would you earn the most by placing your savings in a – **(RANDOMIZE)** –

|                                   |     |
|-----------------------------------|-----|
| Savings account .....             | 38% |
| Money market account .....        | 15% |
| CD or certificate of deposit..... | 25% |
| ALL EQUAL(DNR).....               | *   |
| UNSURE/DK (DNR).....              | 23% |

- Less than two in ten high school seniors correctly identify “money market accounts” as the way to earn the most money from their savings. While knowledge that this is the best way to earn money from savings is significantly higher among two-parent college educated family seniors, ATM bankers, and credit card students, only three in ten respondents in these key groups were correctly able to identify money market accounts as the best way to earn money from savings.

### Interest Rates

24. Which of the following individuals or organizations is most responsible for setting interest rates? Is it – (RANDOMIZE) –

|                                 |     |
|---------------------------------|-----|
| President of United States..... | 3%  |
| Congress.....                   | 9%  |
| Federal Reserve Board.....      | 30% |
| New York Stock Exchange.....    | 3%  |
| United States Treasurer.....    | 13% |
| Secretary of Commerce .....     | 6%  |
| NAMED OTHER(DNR).....           | 1%  |
| UNSURE/DK (DNR).....            | 36% |

- Despite two (2) cuts in the interest rate in the weeks leading up to this survey, only three in ten seniors were able to identify the Federal Reserve Board as the entity responsible for setting interest rates.

### Highest Loan Interest Rates

25. Which of the following financial services typically has the highest interest rate? Is it (RANDOMIZE) –

- a car loan,
- a credit card,
- a mortgage loan, OR
- a home equity loan?

|                             |     |
|-----------------------------|-----|
| Car loan .....              | 10% |
| Credit card.....            | 34% |
| Mortgage loan .....         | 18% |
| Home equity loan.....       | 14% |
| COMBINATION/ALL (DNR) ..... | *   |
| UNSURE/DK (DNR).....        | 24% |

### Lowest Loan Interest Rates

26. Which of the following financial services typically has the lowest interest rate? Is it (RANDOMIZE) –

- a car loan,
- a credit card,
- a mortgage loan, OR
- a home equity loan?

|                             |     |
|-----------------------------|-----|
| Car loan .....              | 17% |
| Credit card.....            | 21% |
| Mortgage loan .....         | 8%  |
| Home equity loan.....       | 19% |
| COMBINATION/ALL (DNR) ..... | *   |
| UNSURE/DK (DNR).....        | 35% |

- Less than one in ten high school seniors, eight percent (8%), correctly identified mortgage loans as having the lowest interest rates of any of the choice put forward, despite the fact that mortgage interest rates are only half the size of interest rates for these other loans.

**Retirements Savings:**

27. Who is responsible for providing the majority of funds that you will need for your retirement? Is it – (RANDOMIZE) -- • the federal government, • you yourself, • your employers, or • your parents?

|                                   |     |
|-----------------------------------|-----|
| Federal government .....          | 27% |
| You yourself.....                 | 46% |
| Employers .....                   | 14% |
| Parents .....                     | 3%  |
| COMBINATION/ALL EQUAL (DNR) ..... | 1%  |
| UNSURE/DK (DNR).....              | 9%  |

- While this question elicited one of the higher success rates of any of the thirteen, still less than half of seniors were able to correctly identify themselves as being the ones responsible for providing a majority of the funds they will need for their retirement.

**Automobile Purchase:**

28. Which of the following do you think is the least expensive way to obtain a car? Is it least expensive to – (ROTATE) -- • pay the entire purchase amount in cash, • finance the purchase through a car loan, OR • lease the car?

|                          |     |
|--------------------------|-----|
| Pay cash.....            | 66% |
| Finance .....            | 12% |
| Lease.....               | 16% |
| ALL THE SAME (DNR) ..... | *   |
| UNSURE/DK (DNR).....     | 6%  |

**Credit History**

29. How much of a negative impact, if any at all, does missing a payment or being late on paying a credit card bill have on your credit rating or credit history? Does missing a payment or being late in paying a credit card bill have – (ROTATE, FRONT TO BACK, BACK TO FRONT) -- • an extremely negative impact, • a somewhat negative impact, • only a slight negative impact, or • no negative impact – on your credit rating and history?

|                                  |     |
|----------------------------------|-----|
| Extremely negative impact .....  | 35% |
| Somewhat negative impact.....    | 40% |
| Only slight negative impact..... | 12% |
| No negative impact .....         | 4%  |
| UNSURE/DK (DNR).....             | 8%  |

**Credit Card Costs**

30. Which of the following types of credit cards is the most cost-effective type of card to have? Assuming that you have a credit card with a balance owed of \$1,000, would the most cost-effective card to have be – **(RANDOMIZE)** –

- a card with 13% interest and no annual fee,
- a card with 10% interest and a \$50 annual fee,
- OR
- a card with 7% annual interest and a \$200 annual fee

|                                       |     |
|---------------------------------------|-----|
| 13% interest and no annual fee.....   | 24% |
| 10% interest and \$50 annual fee..... | 28% |
| 7% interest and \$200 annual fee..... | 16% |
| ALL EQUAL <b>(DNR)</b> .....          | *   |
| UNSURE/DK <b>(DNR)</b> .....          | 32% |

- As you can see from the answer to this question, high school seniors mistakenly focused more on the size of the annual fee than they did on the interest rate in making their selection.
- Students who currently have a credit card were more mistaken in their answers than were students who do not have credit cards. Fully 35% of credit card students mistakenly believe that a card with 13% interest and no annual fee would be most cost-effective.

**Definition of “Earned Income”**

31. Which of the following is the most accurate description of “earned income”? Is it – **(RANDOMIZE)**

- money you get from stocks, investments, and interest
- money you get from wages, salary, tips, and commissions,
- OR
- money you get as gifts from family members and others?

|                                    |     |
|------------------------------------|-----|
| Stocks, investments, interest..... | 9%  |
| Wages, salary, tips .....          | 78% |
| Gifts .....                        | 6%  |
| ALL EQUAL <b>(DNR)</b> .....       | *   |
| NONE <b>(DNR)</b> .....            | *   |
| UNSURE/DK <b>(DNR)</b> .....       | 7%  |

- High school seniors were fairly successful in correctly identifying the correct description of “earned income.” The gap between those seniors who have had financial curriculum in schools and those who have not is only five points.

**Definition of “Passive Income”**

32. Which of the following is the most accurate description of “passive income”? Is it – (RANDOMIZE)

- money you get from stocks, investments, and interest
  - money you get from wages, salary, tips, and commissions,
- OR
- money you get as gifts from family members and others?

|                                    |     |
|------------------------------------|-----|
| Stocks, investments, interest..... | 22% |
| Wages, salary, tips .....          | 15% |
| Gifts .....                        | 41% |
| ALL EQUAL (DNR).....               | *   |
| NONE (DNR).....                    | *   |
| UNSURE/DK (DNR).....               | 22% |

**Calculating Net Worth:**

33. Which of the following is the right way to calculate your “net worth”? Is the right way to do this to – (RANDOMIZE) –

- add the average of your annual salary over your life expectancy,
  - add the total of all your assets together,
  - add the average of your annual salary over your life expectancy, and deduct the money you owe from your loans,
- OR
- add up all your assets, and then subtract all your debts?

|   |     |
|---|-----|
| Average of annual salary over life expectancy .....                       | 5%  |
| Total of all assets.....  | 9%  |
| Average of annual salary over life expectancy<br>minus money you own..... | 7%  |
| Assets minus debts.....   | 47% |
| UNSURE/DK (DNR).....  | 31% |

**Sales Taxes:**

34. I would like to read you four different statements about sales taxes. One of the statements is correct and three of them are incorrect. Please listen as I read the four different statements and tell me which one statement is correct. Here they are – (RANDOMIZE) –

|  |     |
|--|-----|
| The federal government will deduct sales taxes from your paycheck..... | 22% |
| Sales taxes make products and services more expensive to buy .....     | 48% |
| Low-income Americans are exempted from having to pay sales taxes.....  | 8%  |
| The national sales tax rate was recently cut to five percent .....     | 12% |
| UNSURE/DK (DNR).....   | 10% |

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