

Figure 3: Total Dollars Lost to Tax Preparation Fees, Refund Anticipation Loans (RALs) and Refund Anticipation Checks (RACs) in U.S. States, Tax Year 2005

STATE	Number of Tax Returns	Number of EITC Tax Returns	% of EITC Returns That Used Paid Preparers	% of EITC Returns with a RAL*	Dollars Lost to Tax Preparation, RALs and RACs**
ALABAMA	1,894,034	492,443	76.3%	40.4%	\$78,716,880
ALASKA	330,060	39,366	52.8%	20.5%	\$ 4,055,100
ARIZONA	2,384,952	399,683	69.1%	24.4%	\$ 53,098,740
ARKANSAS	1,123,679	280,710	77.0%	38.8%	\$ 44,314,770
CALIFORNIA	14,801,518	2,376,158	76.3%	16.5%	\$ 319,651,470
COLORADO	2,091,650	263,790	63.1%	19.1%	\$ 30,986,730
CONNECTICUT	1,638,502	166,934	67.7%	21.5%	\$ 21,241,320
DELAWARE	392,178	57,904	61.1%	26.1%	\$ 7,129,890
DISTRICT OF COLUMBIA	269,268	47,437	69.7%	32.0%	\$ 6,740,280
FLORIDA	7,945,051	1,569,635	70.3%	24.8%	\$ 211,238,730
GEORGIA	3,828,404	881,933	74.5%	36.7%	\$ 135,963,960
HAWAII	599,645	83,779	63.2%	18.4%	\$ 9,780,840
IDAHO	596,582	102,450	60.4%	16.1%	\$ 11,315,580
ILLINOIS	5,672,924	858,630	71.3%	25.8%	\$ 118,033,440
INDIANA	2,819,872	436,901	68.8%	31.1%	\$ 60,514,500
IOWA	1,322,984	172,490	72.3%	19.3%	\$ 22,440,720
KANSAS	1,207,638	175,758	67.3%	22.3%	\$ 22,347,690
KENTUCKY	1,743,646	345,824	75.3%	33.3%	\$ 51,638,130
LOUISIANA	1,699,167	484,825	74.4%	35.8%	\$ 74,566,740
MAINE	610,850	86,575	58.8%	17.3%	\$ 9,377,040
MARYLAND	2,573,172	339,125	66.0%	23.7%	\$ 43,275,600
MASSACHUSETTS	3,007,416	308,758	65.2%	15.0%	\$ 35,847,300
MICHIGAN	4,422,552	656,552	68.8%	25.1%	\$ 87,382,050
MINNESOTA	2,392,012	263,419	64.7%	14.8%	\$ 30,199,950
MISSISSIPPI	1,130,867	370,490	75.7%	42.6%	\$ 59,772,330
MISSOURI	2,551,791	439,951	70.5%	28.1%	\$ 60,569,610
MONTANA	436,920	72,010	64.9%	21.6%	\$ 8,736,510
NEBRASKA	796,285	109,980	67.3%	19.5%	\$ 13,638,570
NEVADA	1,101,500	163,585	72.6%	30.3%	\$ 23,440,050
NEW HAMPSHIRE	639,226	62,267	59.7%	18.4%	\$ 6,912,810
NEW JERSEY	4,018,176	482,758	76.8%	23.8%	\$ 69,155,460
NEW MEXICO	821,706	194,879	65.7%	23.1%	\$ 24,539,040
NEW YORK	8,429,982	1,464,896	74.2%	18.7%	\$ 196,110,990
NORTH CAROLINA	3,776,977	770,481	73.4%	38.9%	\$ 118,066,860
NORTH DAKOTA	302,211	38,825	64.8%	18.8%	\$ 4,559,280
OHIO	5,349,583	796,636	64.6%	29.8%	\$ 104,097,120
OKLAHOMA	1,447,449	310,467	69.4%	31.1%	\$ 43,147,950
OREGON	1,587,260	221,482	55.1%	16.6%	\$ 22,768,140
PENNSYLVANIA	5,767,982	781,794	65.0%	22.3%	\$ 97,193,190
RHODE ISLAND	488,221	65,728	74.1%	21.8%	\$ 9,042,540
SOUTH CAROLINA	1,843,872	431,130	77.4%	42.0%	\$ 69,896,370
SOUTH DAKOTA	361,828	55,090	69.9%	27.8%	\$ 7,383,390
TENNESSEE	2,591,549	554,713	73.4%	37.5%	\$ 83,745,090
TEXAS	9,363,549	2,228,923	72.7%	30.9%	\$ 324,730,080
UTAH	1,000,057	140,395	59.8%	15.6%	\$ 15,318,150
VERMONT	305,339	37,809	58.3%	13.1%	\$ 3,886,920
VIRGINIA	3,432,364	489,562	66.0%	29.9%	\$ 65,054,580
WASHINGTON	2,838,948	351,363	58.2%	20.9%	\$ 39,168,450
WEST VIRGINIA	746,205	144,958	63.3%	29.1%	\$ 18,426,030
WISCONSIN	2,609,517	302,504	65.0%	17.1%	\$ 35,794,590
WYOMING	243,539	32,363	64.0%	22.6%	\$ 3,931,440
U.S. TOTALS	130,354,745	22,053,667	70.9%	26.8%	\$ 3,029,007,780

SOURCE: Internal Revenue Service SPEC Information Database, Tax Year 2005 (December, 2007). Calculations by CDF.

Notes: *Of those who receive a refund. **Calculated based on a \$150 average tax preparation fee, a \$100 average RAL fee and a \$30 average RAC fee.