

Hey! What's New? 2026-10

AI Loses Ground to Pros as Taxpayers Rethink Who Should Do Their Taxes

A new report from *Invoice Home*, a leading invoice template software designed to meet the invoicing needs of small businesses, reveals American's current perception of tax filing for this year, particularly highlighting their lack of confidence and the financial strain surrounding tax season. Conducted with third-party research firm Censuswide, data also suggested hesitations towards using AI, with 63% of respondents not trusting AI vs. a tax professional.

The report notes that, "when it comes to timing, Americans are split – half (50%) of tax filers plan to file their taxes as soon as they receive their W2. That said, only two in five (42%) of respondents are confident in themselves to file their taxes correctly this year, showing nearly no improvements since 2025 (41%)."

That number, it says, "becomes even more alarming for the youngest generation of tax filers with only two thirds of Gen Z (33%) and Millennials (36%) reporting their confidence. Those who aren't sure of themselves would go great lengths to avoid filing, saying they'd rather do the following than file their own taxes because they're not confident in doing so:

- Renew their driver's license at the DMV – 22% total; 32% of Gen Z; 25% of Millennials.
- Give up non-essential spending for a month – 15% total; 21% of Gen Z; 17% of Millennials.
- Take a driver's license online exam – 15% total; 23% of Gen Z; 20% of Millennials."

"We continue to see a lack of confidence for nearly half of respondents when filing their taxes each year," said Petr Marek, Co-Founder and CEO of Invoice Home. "Most Americans only engage with their taxes once a year, and it's a high stress situation surrounded by fear of making a costly mistake. Building confidence starts with preparing throughout the year and leaning on tools and experts to help with the overall process."

In 2026, nearly two in five (37%) of American tax filers would consider trusting AI to file their taxes this year over hiring a tax professional, a 14% decrease from 2025. According to the report, "this willingness varies by generation as stated by 40% of Gen X, 50% of Millennials and 46% of Gen Z respondents."

This shouldn't come as a surprise, says the report, "as AI continues to make a name for itself at the same time many Americans are struggling financially to stay afloat. This is especially true for the younger generations – in fact, 1 in 4 (24%) of Gen Z and 1 in 5 (21%) of Millennial respondents say they'll delay filing their taxes in this year because they're worried they might owe money to the government." One in five (21%) of Gen Z are relying on their tax return to cover their cost-of-living expenses the month they file, and if they don't receive the tax refund they were expecting, they:

- Will have to borrow money from family/friends/a partner – 21% of Gen Z; 14% of Millennials.
- Won't be able to afford rent/mortgage that month – 18% of Gen Z; 8% of Millennials.
- Won't be able to afford groceries and household items that month – 16% of Gen Z; 13% Millennials.

- Will have to set up a payment plan with the IRS if they owe money – 15% of Gen Z; 18% of Millennials.

According to the report, “last year, many Gen Zers leaned on delayed payments to afford even basic necessities. Over one-third (36%) of Gen Z said they used Buy Now, Pay Later services to spread out payments within the past year. As the BNPL industry kicks off 2026 with even more options to stretch out payments, including offering renters flexible options to pay over time as well as after-purchase BNPL options, it’s clear there is a bigger financial struggle than just filing taxes.”

Adds Marek, “one in five Gen Z tax filers report that they may need to borrow money if their refund is smaller than expected, suggesting a broader issue around cash flow management, financial planning, and income unpredictability. Tax season has become a financial stress test, and not the refund windfall from years’ past. Seeking out better digital tools, financial education, and support, tax filers can be better prepared not just for tax season but throughout the year.”

For more, check out [Americans Still Hesitant to Use AI for Tax Filing, Survey Says](#).