

# Tax Time Can Cause Depression and Anxiety – Fight Back With Expert Advice

There are steps you can take to change the internal dialogue about taxes, including gaining a clear understanding of how they work.

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Recognizing what issues come up for you during tax season will help you effectively manage this important task and remain in healthy spirits.

## Key Takeaways

- Tax time can cause anger, depression, shame and guilt.
- Some psychological issues during tax time can be especially destructive.
- There are steps you can take to change the internal dialogue.
- Prepare for next year to avoid the same anxieties.

Tax season is one of the most emotionally taxing times of the year. Not only can the act of completing a tax return be complicated, confronting a potentially large and unaffordable tax bill can be terrifying.

According to a survey commissioned by Cash App Taxes, 38% of millennials say tax stress has brought them to tears, and 25% of Gen Z taxpayers say the stress of filing is driving them to seek therapy.

A wide range of psychological issues can crop up during tax season. Recognizing what they may be for you and dealing with them will help you effectively manage this important task, and ideally remain in healthy spirits before, during and after the filing process.

## Why Taxes Can Be an Emotional Trigger

"Feeling dread around tax time is a common experience," says Rachel Goldberg, a Los Angeles-based licensed marriage and family therapist.

"The complexity of tax regulations creates feelings of uncertainty about [how to file correctly](#), and fears of making mistakes that could result in incorrect refunds, overpayment, or even audits," she adds.

Goldberg explains that the negative emotions can remain even when the taxpayer gets professional tax assistance.

"There's often an underlying worry about missing important receipts or information, contributing to a sense of overwhelm and perceived failure in fulfilling this basic responsibility," she says.

In general, people feel better when they have a solid idea about what to expect, even when it's not the desired outcome.

However, a 2023 Morning Consult [survey](#) revealed that uncertainty is the norm – about 1 in 5 U.S. adults knew if they would receive a refund or owe taxes and how much the respective check or bill would be.

"It is overwhelming for most to file their taxes," says Lawrence Sprung, a certified financial planner and founder and lead wealth advisor at Mitlin Financial in Hauppauge, New York.

"I believe it is a combination of not having a true understanding of how the tax code works and a lack of organization," he says.

## Common Negative Thoughts During Tax Time

What can people expect to feel when they are doing their taxes? That depends on the person, explains Goldberg, but there are some commonalities. "The thought of tax debts and unresolved issues can bring up feelings of shame or guilt," she says.

"Some people also grapple with anger and feelings of unfairness at the significant portion of their income they are required to give up," she adds.

These are not insignificant feelings nor are they rare, says Mackenzie Kerber, a licensed mental health counselor at Apricity Counseling and Wellness in Eagan, Minnesota. If [doing your taxes feels like a traumatic event](#), you're not alone.

"I have been a psychotherapist for more than 10 years and every January, tax anxiety begins," she says. "It doesn't matter what tax bracket, the anxiety, fear, rumination, negative self-talk and worst case scenario planning begins like clockwork."

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## Tax Time Emotions Can Be Destructive

Almost everybody will approach their taxes with some level of apprehension, but some are prone to more serious psychological reactions.

According to Colleen Marshall, vice president of clinical care at Two Chairs, a therapy practice in Poway, California, people who are most at risk of serious tax-related mental health issues are those who are already experiencing anxiety or depression symptoms.

"They can be more prone to their anxiety or depression increasing during tax season," she says. "Also individuals that are experiencing other life stressors like financial uncertainty. Partner relationship conflict can also experience risk or adding the stressor of taxes to their already stressed feelings."

Sometimes the tax-related emotions can result in damaging behaviors.

At any point in the tax preparation process, people may have trouble falling asleep or sleeping too much, which can affect work and earning. Pleasure and satisfaction in normal activities may be hard to achieve, while internal stress can result in arguing with loved ones or isolating from them.

People in treatment for substance dependency and gambling need to be extra careful to not let the anxiety and depression affect their recovery or sobriety.

## Change the Internal Dialog

“You can feel alone in your situation, and that can be hard, but you’re not being singled out,” Goldberg says.

“We’re all in this together. Everyone is doing the same thing. Taxes aren’t personal, this is not about you. Remember that everyone is in the same boat. It’s OK to feel upset and angry, but you need to just get it done,” she says.

Personal finance education is a great way to change the negative internal dialog, too. When you have a clear understanding of how income taxes work and the best strategies to manage them so you don’t over or under pay, the fear and anxiety can greatly dissipate. Read personal finance books that cover taxes or listen to podcasts hosted by money and tax experts.

▶▶ **READ:** [Best Personal Finance Books](#).

Feeling angry about having to pay taxes because you don’t approve of where the money is going? Goldberg says that while that’s a perfectly normal response, don’t let it consume you. Focus on the services that your taxes are going toward that you do appreciate.

“Try to think of the ways you benefit when you pay taxes, such as a pothole that was fixed, firefighters who came out when you called or that your kids go to public school for free,” Goldberg says. “Reframing it this way can lower resentment.”

## Get Help Before Taxes Become Too Stressful

If at any point you feel like you’re drowning, reach out for help. A therapist can help you safely challenge your fear thoughts and soothe your anxiety with mindfulness and emotion-regulation skills.

“Using these skills gets us out of the midbrain where emotions occur and helps us feel grounded,” Kerber says. “When we are calm and present, we can use our frontal lobe, where our executive functioning like doing math occurs, more effectively. No one wants their tax preparation to be longer than it needs to be so using these skills before, during and after working on your taxes will set you up for success.”

“Seeking a mental health professional would be advised if the anxiety around your taxes is impacting your life,” says Sprung. “I would not wait. That includes if someone else is doing the taxes and you notice that they are suffering. Take it seriously, make mention of it. This is not something you should ignore.”

## Prepare for Next Year

According to Sprung, there are a few ways to prevent mental health challenges around filing taxes in the future. The first is to employ a trusted advisor, such as a CPA or financial planner who can take much of the burden from your shoulders.

“In addition, being organized is a huge help because it will ensure the information you are providing to the IRS is complete and accurate,” Sprung says. “Start a file at the beginning of the year and stay organized. Meet with your tax professional throughout the year to ensure there will be no tax surprises when you finally do file.”

In the end, preparation is key to helping change the internal messaging and understanding that you will need to pay your fair share, Sprung says. Having the right team in place early can significantly reduce the stress around tax time.