

A New Option for Your Federal Tax Refund: Savings Bonds

If you are receiving a federal tax refund from the Internal Revenue Service, you can choose to use that money to purchase U.S. savings bonds.

Here are the top six things you'll need to know about using your federal refund to purchase savings bonds.

1. You may use a portion of your refund to purchase up to \$5,000 in U.S. Series I Savings Bonds.
2. The total amount of saving bonds purchased must be a multiple of \$50. Additional money over the specified amount must be deposited into another financial account – such as a checking or savings account.
3. The bonds will be issued in your name. For married taxpayers filing a joint return, the bonds will be issued in the names of both spouses.
4. You will receive the U.S. savings bonds in the mail.
5. You normally select this option by filing Form 8888, Direct Deposit of Refund to More Than One Account.
6. Form 8888 has step-by-step instructions on how to select this option and how to specify the amount of your refund you want to use to purchase savings bonds.