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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant
Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

H&R BLOCK, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:





August 10, 2007

Dear Fellow Shareholder:

The September 6, 2007 Annual Meeting is fast approaching. Your vote is extremely important, no matter how many or how few shares you own.

By voting **FOR** your Board's nominees **TODAY**—by telephone, by Internet, or by signing, dating and returning the **WHITE** proxy card in the postage-paid envelope provided, you support:

- The Company's strong focus on our core tax, accounting and related financial services businesses.
- Our exiting of our non-core mortgage business and other selected businesses within RSM McGladrey that were not aligned with our strategic focus.
- Continued growth and momentum of H&R Block Bank which is crucial to our strategy.
- The Company's bright future as a result of the steps taken under the leadership of your Board of Directors.

Mr. Richard Breeden, through his hedge fund Breeden Partners, is seeking to have himself and two of his associates elected to your Company's Board of Directors without offering any constructive ideas to enhance shareholder value other than generalities and empty platitudes. Furthermore, as a result of Mr. Breeden's position as the government-appointed Monitor for KPMG, your Company's independent auditor, Breeden Partners' nominees create a grave risk of impairing the independence of your Company's auditor should they join the Board. If H&R Block is suddenly forced to change auditors next month due to Mr. Breeden's outside activities, with virtually no transition plan, it would divert a significant amount of management and Board time away from executing the Company's strategic plan.

It continues to surprise us that Mr. Breeden, a former regulator who once extolled the importance of auditor independence, now belittles our serious concerns about KPMG's independence as nothing more than a "fancy legal argument."

There is still time for you to protect your investment and vote FOR your Board's nominees. **We urge you to discard Breeden Partners' blue proxy card.** Please use the enclosed **WHITE** proxy card to vote **FOR** your Board's nominees **TODAY**—by telephone, by Internet, or by signing, dating and returning the **WHITE** proxy card.

Thank you for your continued support.

On Behalf of the Board of Directors,



Mark Ernst
Chairman, President and CEO

Your Vote Is Important, No Matter How Many Or How Few Shares You Own.

If you have questions about how to vote your shares, or need additional assistance, please contact the firm assisting us in the solicitation of proxies:

INNISFREE M&A INCORPORATED
Shareholders call Toll-Free: (877) 456-3463
Banks and Brokers Call Collect: (212) 750-5833

IMPORTANT

We urge you NOT to sign any Blue proxy card sent to you by Breeden Partners. If you have already done so, you have every legal right to change your vote by using the enclosed **WHITE** proxy card to vote **TODAY**-by telephone, by Internet, or by signing, s dating and returning the **WHITE** proxy card in the postage-paid envelope provided.

Forward Looking Statements

This release may contain forward-looking statements, which are any statements that are not historical facts. These forward-looking statements are based upon the current expectations of the company and there can be no assurance that such expectations will prove to be correct. Because forward-looking statements involve risks and uncertainties and speak only as of the date on which they are made, the company's actual results could differ materially from these statements. These risks and uncertainties relate to, among other things, the company's pending sale of Option One Mortgage Corp.; competitive factors; regulatory capital requirements; the company's effective income tax rate; litigation; and changes in market, economic, political or regulatory conditions. Information concerning these risks and uncertainties is contained in Item 1A of the company's 2007 annual report on Form 10-K and in other filings by the company with the Securities and Exchange Commission.