SEC Form 4

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934
or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person*	2. Issuer Name **and** Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)
SMITH LOUIS W	H&R BLOCK INC [HRB]	X Director 10% Owner
(Last) (First) (Middle)	3. Date of Earliest Transaction (Month/Day/Year) 01/03/2006	Officer (give title below) Other (specify below)
4400 MAIN STREET (Street)	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line)
KANSAS CITY MO 64111 (City) (State) (Zip)		X Form filed by One Reporting Person Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock, without par value	01/03/2006		J(1)		98	A	$24.305	27,067	D	

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Call Option to Purchase	$12.5							06/30/2000	06/30/2009	Common Stock, without par value	12,000		12,000	D	
Call Option to Purchase	$8.0938							06/30/2001	06/30/2010	Common Stock, without par value	12,000		12,000	D	
Call Option to Purchase	$16.1375							06/30/2002	06/30/2011	Common Stock, without par value	12,000		12,000	D	
Call Option to Purchase	$23.075							06/30/2003	06/30/2012	Common Stock, without par value	8,000		8,000	D	
Call Option to Purchase	$21.625							06/30/2004	06/30/2013	Common Stock, without par value	8,000		8,000	D	
Call Option to Purchase	$23.84							06/30/2004	06/30/2014	Common Stock, without par value	8,000		8,000	D	
Call Option to Purchase	$29.175							06/30/2005	06/30/2015	Common Stock, without par value	8,000		8,000	D	

Explanation of Responses:

1. Units for dividends paid under the H&R Block Stock Plan for Non-Employee Directors. Each unit has the value of one share of Common Stock.

Remarks:

By: Bret G. Wilson per Power of Attorney   01/04/2006

** Signature of Reporting Person   Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, *see* Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.