

## **H&R Block Survey Reveals Three in Four Taxpayers Unaware Of Tax Filing Delay Created by AMT Legislation**

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KANSAS CITY, Mo., Dec 27, 2007 (BUSINESS WIRE) -- Although the IRS today confirmed a tax filing delay for millions of taxpayers claiming any of five popular credits related to AMT calculations, a survey conducted Dec. 18 to 20 for H&R Block (NYSE:HRB), the country's largest tax preparation firm, revealed that a majority of taxpayers questioned were unaware of the potential tax filing delay created by the recent passage of the AMT legislation.

Seventy-three percent of those surveyed said they weren't aware that processing some federal returns could potentially be delayed several weeks after the Jan. 11 start of tax return e-filing. The IRS today announced that federal returns claiming credits for child and dependent care, education, residential energy, mortgage interest, or DC first-time homebuyers would have to wait until Feb. 11 to file. H&R Block's survey also revealed that more than half of respondents (52 percent) were not even aware that Congress had been considering changes to the AMT. Without the AMT legislation, an additional 21 million taxpayers would have been hit by the Alternative Minimum Tax, with most paying an additional \$2,000 in taxes.

"While the AMT legislation benefited millions of taxpayers, it has increased tax filing complexity. Taxpayers need to understand if and how the legislation and IRS processing changes affect them," said Tim Gokey, group president of H&R Block Tax Services. "Without knowing what steps to take, taxpayers could miss important tax benefits or experience an unnecessary refund delay."

Tom Allanson, group president of H&R Block Digital Tax Solutions, said, "The most important advice for taxpayers this year is to choose a tax preparer who stands behind his work or a do-it-yourself tax solution that's reputable, not just at tax time but all year long."

According to H&R Block, taxpayers have options to minimize their possible refund delay and even avoid it, receiving the majority of their refund in a timely manner.

"We can help taxpayers claiming the child and dependent care credit avoid the delay by using alternative forms to file their return," Gokey said. "Taxpayers can also file their return earlier by not claiming the credits being blocked until Feb. 11, and then filing an amended return later to claim the additional credits. In this way, taxpayers will receive most of their refund on time, and then get the remainder of their refund as soon as possible."

Taxpayers who don't mind waiting to file their return until the delayed date can still take steps to ensure they receive their refund as quickly as possible, Gokey said.

-- Don't wait to complete your return - Taxpayers should have their returns prepared as soon as their W-2s arrive so they will be among the first in line when the IRS is ready to accept and process their return.

-- Use the correct forms - Because a number of tax forms must be updated as a result of the AMT legislation, taxpayers who prepare their own returns will want to make sure they're using the most current forms available. The latest forms will be available at H&R Block offices, on H&R Block's digital products - TaxCut online and software - as well as on the IRS Web site.

-- Use e-file and direct deposit - Regardless of whether a taxpayer is affected by the potential delays, e-filing is the fastest way to send a tax return to the IRS. And when combined with direct deposit, taxpayers will receive their refunds in 8 to 15 days, instead of the 6 to 8 weeks needed with paper returns and mailed IRS checks.

-- Beware of scams - For those taxpayers who are affected by the processing delay, don't trust tax preparers who advertise that they can file returns claiming credits affected by the AMT patch earlier than Feb. 11 or provide refunds for those tax benefits sooner. The delay will affect all tax preparers the same, and only the IRS can issue tax refunds.

More than a third of H&R Block's tax offices are now open to assist taxpayers, and all of the company's nearly 13,000 offices will be open Jan. 2. H&R Block's TaxCut online or Tango programs will be updated automatically with the revised IRS forms, while customers using one of the TaxCut software products will be notified as soon as the update is available. Both TaxCut and Tango customers can rely on e-mail, chat or phone assistance from one of H&R Block's tax professionals to help them complete and file their returns.

For more information about the 2008 tax season, visit [www.hrblock.com](http://www.hrblock.com), where a link to H&R Block's new digital discussion community, Digits [www.digits.hrblock.com](http://www.digits.hrblock.com), provides valuable insight to what comes next for taxpayers in the wake of AMT legislation. In addition, taxpayers can visit one of H&R Block's offices to speak with a tax professional about their tax situation.

Editor's Note:

H&R Block had a third-party vendor conduct an omnibus telephone survey of 1,000 taxpayers Dec. 18-20 to gauge initial awareness of the Alternative Minimum Tax. The margin of error is +/- 5%, at a 90% confidence level.

About H&R Block:

H&R Block Inc. (NYSE: HRB) is a leading provider of tax, financial, and accounting and business consulting services and products. H&R Block is the world's largest tax services provider, having prepared more than 400 million tax returns since 1955. The company and its subsidiaries reported revenues of \$4.0 billion and net income from continuing operations of \$374.3 million in fiscal year 2007. The company has continuing operations in three principal business segments: Tax Services (income tax return preparation and related services and products via in-office, online and software solutions); Business Services (accounting, tax and business consulting services primarily for mid-sized companies); and Consumer Financial Services (brokerage services, investment planning and related financial advice along with full-service consumer banking). Headquartered in Kansas City, Mo., H&R Block markets its continuing services and products under two leading brands - H&R Block and RSM McGladrey. For more information visit our Online Press Center at [www.hrblock.com](http://www.hrblock.com).

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