

H&R Block Survey: Many Moms Unaware of Child Tax Credit

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More Than 6 in 10 Taxpayers Unsure How Much Valuable Benefit is Worth

KANSAS CITY, Mo., May 03, 2007 (BUSINESS WIRE) -- Not that flowers aren't flattering, but as Mother's Day nears, H&R Block (NYSE: HRB) has surprising news for moms and dads: many might be missing out on one of the most adored gifts of all - money.

More than 6 in 10 Americans don't know how much the Child Tax Credit is worth, according to an H&R Block survey of nearly 1,100 taxpayers during the 2007 tax season. Only 22 percent of respondents knew the credit is worth \$1,000 per child in most cases, while nearly two-thirds of respondents - 62 percent - weren't sure.

"The Child Tax Credit is one of the most misunderstood tax benefits every year," said H&R Block Advice Delivery Manager Maggie Doedtman. "It's also one of the most valuable credits available, so parents should take time to understand if they qualify and, if they do, how they can claim it."

The Child Tax Credit is available for each dependent child who is younger than 17 at the end of a calendar year. A parent with four qualifying children, for instance, could be eligible for a \$4,000 dollar-for-dollar savings on their tax bill.

Not all taxpayers qualify for the full amount of the benefit. The credit is reduced at higher income levels, beginning at \$55,000 for married taxpayers filing separately. But, depending on their income and other factors, other parents may get a refund due to the additional child tax credit, even if they don't owe taxes.

For parents who are divorced or separated, the custodial parent usually can claim the child as a dependent. A parent without custody can claim the Child Tax Credit with the custodial parent's consent.

More information about the Child Tax Credit and other dependent-related tax benefits, such as the child and dependent care credits and the adoption credit, is available at www.hrblock.com. In addition, taxpayers who have overlooked the credit on previous returns can visit one of more than 4,000 H&R Block offices open year-round to consider filing an amended return.

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