

Survey: More Taxpayers Willing to Confirm ID, Answer More Questions to Combat Tax Fraud

March 17, 2015 8:00 AM ET

Consumers Willing to Providing Additional Documentation, Request Tax Preparers Meet Minimum Standards

KANSAS CITY, MO -- (Marketwired) -- 03/17/15 -- A [survey](#) from H&R Block (NYSE: HRB), the world's largest consumer tax services provider, found that 96 percent of consumers are willing to take action to combat tax fraud. Some of the top responses include answering additional questions on their returns, providing additional documentation, using a professional tax preparer who is regulated by the IRS and answering questions to confirm their identity when using do-it-yourself software or websites.

"We believe challenging suspicious activity -- before returns get to the IRS -- is the right thing to do," said Bill Cobb, H&R Block president and CEO. "Consumers agree."

H&R Block's survey was designed to ensure the consumers also had a voice in the debate being waged to combat tax fraud. This is the second year for the survey, conducted by The Tax Institute at H&R Block and ORC International, which shows an increase in taxpayer willingness to engage from a [2014 survey](#).

"Tax fraud and improper payments are at least a \$20 billion problem. Whether they file their taxes with a tax preparer or with do-it-yourself software, consumers believe that tax preparers, software providers, government and they themselves have responsibility to solve this problem," said Kathy Pickering, executive director of The Tax Institute. "For their part, they are willing to take several actions including confirming their identity and answering more questions."

Consumers echo solutions offered by H&R Block

The results of the survey are encouraging and demonstrate consumer appetite for additional steps from the industry and government to protect against this growing threat. The company supports making sure consumers are protected through fair, transparent and commonsense solutions that can be enacted now. Specifically, H&R Block [supports](#) implementing consistent anti-fraud measures across all tax preparation methods and setting national standards for professional tax return preparers.

"At H&R Block, we believe in doing the right thing," Cobb said. "We, like consumers, are willing and able to do more and believe government has to establish uniform, industry-wide standards to which we all must rise."

H&R Block is leading the charge to combat tax fraud in both online and assisted tax preparation industries. It recently launched an [online fraud resource center](#) detailing these and other solutions. In addition, H&R Block introduced the [Tax Identity Shield](#) SM this year to offer tools, resources and assistance designed to help reduce risk, promote awareness and mitigate fallout, including assistance with restoration of the consumer's tax identity.

Key findings

1. **Consumers understand they have a role to play in combatting tax fraud.** They agreed that the IRS, Congress, professional tax preparers, the makers of DIY tax preparation software and taxpayers themselves all have a responsibility to address fraudulent tax filings.
2. **Consumers believe that fraudulent returns are most likely to originate from DIY tax preparation software or websites.** The percentage of people who believe this grew 14 percentage points from last year (68 percent vs. 54 percent).
3. **Consumers who use a professional tax preparer want to know that tax preparers have met minimum training standards.** Among the 63 percent of respondents who use a professional tax preparer, 90 percent support requiring tax preparers to meet minimum training standards. This is consistent with last year's findings of 89 percent.
4. **Consumers support consistent filing requirements, regardless of how they file their taxes.** Eighty-eight percent (88 percent) of all respondents support requiring tax forms and documentation requirements to be the same whether

- using a professional tax preparer or DIY software/website. That is consistent with last year's finding of 86 percent.
5. ***Consumers who prepare and file their own tax returns support requiring minimum standards for DIY tax preparation software/websites.*** Among the 30 percent of respondents who use DIY tax preparation software, 92 percent support requiring DIY tax preparation software/websites to meet minimum standards. This is consistent with last year's findings of 91 percent.

The full survey results for 2014 and 2015 are available by visiting H&R Block's newsroom at <http://newsroom.hrblock.com> or at the following links:

[Consumer Tax Fraud: Sources & Solutions Survey Findings March 2015](#)

[Consumer Tax Fraud: Sources & Solutions Survey Findings March 2014](#)

About H&R Block

H&R Block, Inc. (NYSE: HRB) is the world's largest consumer tax services provider. More than 650 million tax returns have been prepared worldwide by and through H&R Block since 1955. In fiscal 2014, H&R Block had annual revenues over \$3.0 billion with 24.2 million tax returns prepared worldwide. Tax return preparation services are provided by professional tax preparers in approximately 12,000 company-owned and franchise retail tax offices worldwide, and through H&R Block tax software products. H&R Block Bank provides affordable banking products and services. For more information, visit the H&R Block Newsroom at <http://newsroom.hrblock.com/>.

About The Tax Institute at H&R Block

The Tax Institute (TTI) is H&R Block's expert tax research and analysis group led by Kathy Pickering as executive director. TTI is staffed by tax experts, including CPAs, enrolled agents, and tax attorneys, with a broad range of expertise. TTI specializes in objective research, analysis and interpretation of federal and state tax laws affecting individual and small business taxpayers. Pickering, with more than a decade of experience in tax operations and 25 years in information technology, leads the strategic direction and management of TTI's team of tax experts who regularly conduct tax research and analysis to provide insights to tax practitioners, tax policy experts, media, and industry. These insights focus on consumer and tax-administration impacts, rather than the merits of or rationale for a given tax policy. Building off more than 10 years of research and analysis from a specialized tax research group at H&R Block, the company launched The Tax Institute in 2007

Note: references to last year's data refers to a Tax Institute at H&R Block survey fielded in November 2013 and released in March 2014.

For Further Information

Gene King

816-854-4287

[Email contact](#)

Source: H & R Block