

## Three Reasons Oct. 15 Is the Second Most Important Day for Taxes

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Oct 09, 2012 (Marketwire via COMTEX) --April 15 has a pretty good chance of remaining the No. 1 day for taxes, but Oct. 15 is likely a close second. This year, [H&R Block](#) (NYSE: HRB) offers three reasons Oct. 15 is important for taxpayers: (1) extension filers must submit their returns to avoid a monthly 5-percent, late-filing penalty on balance due, (2) Fresh Start participants must pay taxes due to avoid further penalties and interest because their six-month grace period ends and (3) the 2013 filing season starts in 100 days so now is a good time to assess the impact of life changes on 2012 taxes.

"October really is the new April for taxes," said Kathy Pickering, executive director of The Tax Institute at H&R Block. "Taxpayers used to believe the only day they had to worry about was the April filing deadline, but more people are realizing how paying attention to their tax situation year-round can put more money in their wallet."

1. Extension to file deadline is Oct. 15 - returning clients eligible for special discount

On average, more than 10 million taxpayers applied for a [tax filing extension](#) each of the past few years -- even though approximately 66 percent of them were due a refund.

One reason taxpayers put off filing is to make sure they have all the paperwork needed to file an accurate return. Rushing to file at the last minute can also result in missing out on claiming tax credits and deductions to which they may be entitled, which can lead to overpayment of taxes. Not claiming all the deductions and credits to which they are entitled, picking the wrong filing status, not filing at all and assorted other missteps cause taxpayers to forfeit \$1 billion in refunds annually.

Any client who filed the extension with H&R Block, either in the office or via Block Live, is eligible for a \$25 discount for the final tax filing with a tax professional in a participating office. Those clients should provide discount code 74311 to the tax professional to receive the discount.\* Do-it-yourself filers can use At Home to complete the return by Oct. 15 as well.

2. Fresh Start participants face payment deadline Oct. 15

This year, the IRS introduced Fresh Start Penalty Relief allowing a six-month payment grace period for those unemployed for 30 consecutive days and self-employed taxpayers who lost at least 25 percent of business income in 2011 due to the economy -- in addition to meeting other qualifications.

Those who met the qualifications will not face failure-to-pay penalties if their 2011 taxes, interest and any other penalties due are paid by Oct. 15. Those who can't pay in full by the extended deadline will have to pay penalties on the amount not paid by Oct. 15. The failure-to-pay penalty is 0.5 percent of the unpaid taxes for each month after the due date (cannot exceed 25 percent of unpaid taxes). The "meter" on interest for the taxes due started April 15.

3. Oct. 15 signals 100-day countdown to e-file, means still time to impact 2012

Even with e-file starting in 100 days on Jan. 22, there is still time for taxpayers to review their 2012 tax situation and make changes that might improve it. Also, because the start of the filing season has been delayed this year, people who typically get their tax returns in January may have to prepare themselves for a later arrival in February.

"Sitting down with a tax professional in October to look at last year's return and estimate next year's return can help taxpayers develop a financial strategy to be more prepared during these uncertain times," Pickering said.

For more information about filing tax returns or a tax check-up contact a local [H&R Block tax professional](#). To find the nearest year-round H&R Block office, visit [www.hrblock.com](http://www.hrblock.com) or call 800-HRBLOCK.

[H&R Block](#), with 4,000 offices open year-round, At Home® online and the all-new, face-to-face web solution Block Live(SM), offers taxpayers multiple options to meet their filing obligations. Taxpayers can call 800-HRBLOCK for more information or visit [www.hrblock.com](http://www.hrblock.com) to find an office near them, start their return online or log in to [Block Live](#).

\*Valid at participating U.S. offices. Void if transferred and where prohibited. Discount valid only for tax preparation fees for an original 2011 personal income tax return. Coupon must be presented prior to completion of initial tax office interview. No cash value. Expires October 15, 2012. ©2012 HRB Tax Group, Inc.

#### About H&R Block

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#### For Further Information

Gene King  
816-854-4287  
Email Contact