

H&R Block Sponsors Four Episodes of ABC's "Who Wants to Be a Millionaire" Tax-Free

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NEW YORK--(BUSINESS WIRE)--Feb. 16, 2001--

Beginning Sunday Block Will Support Payment
of Taxes on Contestants' Winnings

Beginning Sunday the ABC Television Network and H&R Block raise the stakes on the excitement surrounding the jackpot on ABC's phenomenal hit series "Who Wants to Be a Millionaire." Reach the \$1 million jackpot and H&R Block will save the player up to approximately \$500,000 in income taxes. Additionally, ABC will pay the estimated income taxes on any jackpot prize money won.

Block, the world's leading tax preparation firm, will support ABC's payment to each contestant of the estimated Federal, state and local income taxes on all pre-jackpot winnings for the week. In addition, ABC will itself pay each contestant his/her estimated income taxes on the jackpot winnings. Thus, each contestant will have a chance to walk away from the show a true millionaire.

Four highly anticipated shows, airing Feb. 18, 21, 22 and 23, will feature contestants in hot pursuit of the \$1 million-dollar prize, the jackpot prize and the additional award to enable the contestant to pay his/her taxes on the cash prize money.

"We didn't need a lifeline when we were deciding whether or not to move ahead with this sponsorship: the answer was a definite yes," said David Byers, senior vice president and chief marketing officer at H&R Block. "This is clearly one of America's most watched television shows and is certainly the right vehicle for us to spread the word that H&R Block, America's trusted tax preparation leader, is also available to be a year-round financial partner for all Americans."

For those who can't get enough of the heart-pounding, brain-teasing quiz questions, Block and ABC will launch an affiliated online tax trivia challenge on ABC.com. The game not only tests a participant's knowledge about taxes, but promotes H&R Block's separate \$1,000,000 sweepstakes for the general public.

"WHO WANTS TO BE A MILLIONAIRE"

This is the show that changed the landscape of network television, captivated billions of fans worldwide and took its place in broadcast history. Most important of all, it is the show that can change a contestant's life overnight. With series host Regis Philbin ("Live with Regis and Kelly") at the helm and before a studio audience in New York City, "Who Wants to Be a Millionaire" is packed with drama, humor, pathos and nail-biting tension as viewers watch ordinary Americans compete to win a million dollars. Additionally, a series of special programs - including Hollywood celebrities, athletes, families, rock stars and college students - and the introduction of a bonus prize pool that increases by \$10,000 for each telecast without a top prize winner, has kept "Millionaire" one of America's most-watched broadcasts. Each of "Millionaire's" four weekly telecasts rank among the week's top 10 programs.

H&R BLOCK

The world's largest retailer, H&R Block Inc. is a diversified company with subsidiaries providing a wide range of financial products and services. This year, H&R Block served 19.2 million taxpayers - more than any other company - through its more than 10,000 offices located primarily in the United States, Canada, Australia and the United Kingdom. H&R Block served another 1.8 million tax clients through its award-winning software program, Kiplinger TaxCut(R), and through its new online tax preparation services. H&R Block Financial Advisors provide consumers with financial planning and investment products. H&R Block Mortgage Corporation and Option One Mortgage Corporation offer a full range of home mortgage products. RSM McGladrey Inc. is a national accounting, tax and consulting firm with 100 offices nationwide, as well as an affiliation with 550 offices in 75 countries as the U.S. member of RSM International. Quarterly results and other information are available on the company's web site at www.hrblock.com.

Fast Facts About H&R Block - America's Financial Partner H&R Block is big!

- Block is the fourth largest retail network in the world with more than 10,000 locations.
- 90 percent of Americans live within 5 miles of an H&R Block office.
- Block served 19.2 million taxpayers in 2000 - five times as many customers as any other tax or accounting firm. H&R Block helps clients get refunds.
- 85 percent of H&R Block clients get a refund - only 73 percent of US taxpayers get a refund.
- Block clients received more than \$27.5 billion total tax refunds last year.
- H&R Block's "Double Check" program provides new clients an opportunity to have tax returns prepared by others reviewed and will help clients file amended returns. Last year 89 percent of clients who used this service received an additional refund. H&R Block handles complex taxes.
- Block Advisors prepared nearly 7 million complex tax returns last year - more than any CPA firm.
- H&R Block Tax Advisors completed more Schedule Ds (complex forms for stock traders) and Schedule Es (complex forms for rental property owners) than anyone else. H&R Block is innovative.
- Block offers the most ways to prepare taxes - convenient retail at locations nationwide, on-line at www.hrblock.com and Kiplinger Tax Cut software. H&R Block serves mainstream Americas financial planning needs.
- H&R Block opened 200 new Financial Advisor Centers throughout the U.S. in 2000 to offer financial planning, investment services, and home mortgages.
- Block is America's 4th largest discount broker.
- Block recorded \$11.3 billion in mortgage originations.

ABC Millionaire Winners Win Big with Tax-Free Millionaire

Contestants' tax liabilities increase with every right answer and each anxious moment in the hot seat. With H&R Block assuming the tax liability, now all the "Tax Free Millionaire" players need to do, is be certain of the "final answer"(1).

- \$506,000 taxes on winnings of \$1,000,000
- \$253,000 taxes on winnings of \$500,000
- \$126,500 taxes on winnings of \$250,000
- \$63,250 taxes on winnings of \$125,000
- \$32,384 taxes on winnings of \$64,000
- \$16,192 taxes on winnings of \$32,000
- \$8,096 taxes on winnings of \$16,000
- \$4,048 taxes on winnings of \$8,000
- \$2,024 taxes on winnings of \$4,000
- \$1,012 taxes on winnings of \$2,000
- \$506 taxes on winnings of \$1,000

- \$253 taxes on winnings of \$500
- \$151.80 taxes on winnings of \$300
- \$101.20 taxes on winnings of \$200
- \$50.60 taxes on winnings of \$100 (1) Liability figures calculated by H&R Block are approximate and may vary depending on each contestants' place of residence and financial situation.

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