

TaxCut from H&R Block Launches New Platinum Software and Features that Deliver Instant Access to Professional Advice

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KANSAS CITY, Mo.--(BUSINESS WIRE)--Dec. 3, 2002--

No. 1-Rated Tax Software Debuts "Family Edition" Licensing and

Help for Complex Returns(a)

H&R Block today launches TaxCut Platinum, a new premium-level tax software that provides professional, personalized advice designed to help taxpayers with even the most complex returns maximize their tax savings and plan their financial futures.

TaxCut Platinum joins the line of the #1-rated TaxCut(R) from H&R Block tax preparation software with 10 innovative new features that guide taxpayers through tax law changes and increasingly complex returns. TaxCut Platinum also includes a mail-in rebate good for one free Ask-A-Tax-Advisor session, which provides personal tax assistance from an H&R Block tax professional via phone or e-mail.

TaxCut Platinum's new Family Edition licensing enables entire households to complete tax returns from multiple computers.

By exclusively packaging H&R Block advice and financial tools into a simplified, click-through interview that customizes itself along the way, the TaxCut line is the best value for taxpayers looking for a comprehensive, personalized tax preparation experience at the best price.

"In a year of considerable tax law changes and economic turbulence, TaxCut clients benefit from free personalized tax advice at a time when they need it most," said Sabrina Wiewel, assistant vice president and general manager, software. "With more than 50 years of tax experience, H&R Block has designed the software to maximize tax-saving opportunities for clients."

With five products to choose from in the TaxCut line, clients with even the most complex tax returns have access to personalized tax advice and investment planning features that will help them reach their financial goals. Free client support is available for TaxCut clients with technical questions. And again this year, TaxCut's Auto Entry import feature saves time by enabling users to automatically import W-2 wage data and 1099 financial data directly from participating financial institutions and payroll providers.

Several new TaxCut features are designed to provide advice for investors, business owners and retirees. Investors will benefit from the new Stock Options Advisor, the Capital Gains and Losses Assistant and the Business Expense Assistant, each of which helps clients maximize the value of their investments while understanding the effects of complex and changing tax laws. The new Retirement Savings Enhancer ensures that clients are getting the maximum benefit from their 401(k) plans.

"Regardless of their tax and financial situations, do-it-yourselfers who appreciate the speed and convenience of software will find TaxCut's free tax advice and instant access to H&R Block tax professionals helpful in simplifying their tax experience and getting the best possible refund," said Wiewel.

New Features Provide Financial Management and Tax Prep Assistance

TaxCut's new tax tools help clients with complex tax returns organize personal finances and prepare for tax itemization.

Highlights of TaxCut Platinum include:

- **NEW!** Home Office Assistant - Clients with home offices can maximize their tax benefits through the Home Office Assistant, which analyzes whether a home office qualifies for a variety of relevant tax benefits.
- **NEW!** Retirement Savings Enhancer - As the 2001 tax law changes are implemented, the Retirement Savings Enhancer ensures taxpayers are getting the maximum retirement benefits and tax savings from 401(k) plans and other investments.

- NEW! Stock Options Advisor - TaxCut clients with stock options
- incentive stock options, nonqualified stock options and
 - options from employee stock purchase plans - can use TaxCut's Stock Options Advisor to understand the tax consequences of those holdings.
- NEW! Capital Gains and Losses Assistant - TaxCut's Capital Gains Assistant provides tips on how to maximize tax benefits and minimize tax liabilities. Even clients with experience buying and selling stocks will benefit from the additional information.
- NEW! Business Expense Assistant - TaxCut's Business Expense Assistant helps sole proprietors track and report business expenses to maximize deductions. The feature also provides additional tax tips and answers to frequently asked questions.
- NEW! Rental Property Assistant - TaxCut's Rental Property Assistant reminds clients who own rental properties of often-overlooked expenses and deductions.
- NEW! Depreciation Assistant - Sole proprietors and rental property owners can see big savings from depreciating certain assets. TaxCut's Depreciation Assistant provides guidance and advice about depreciation to sole proprietors, rental property owners and others who may qualify for this tax break.
- NEW! Portfolio Manager Powered by GainsKeeper(R) - This Web-based tool provides capital gain calculations for Schedule D, including wash sales, corporate actions, sell simulation and asset allocation tools. Additionally, decision and analysis tools let investors make more informed trading decisions to maximize after-tax returns. And, Portfolio Manager imports 1099 data directly into TaxCut. TaxCut offers a free, limited-time trial offer of this tool.

Built-in tools that have been enhanced on all TaxCut products:

- IMPROVED! Entry Manager - This handy feature is TaxCut's "best kept secret." Clients use Entry Manager to flag entries as tentative and to itemize data entries. Entry Manager tracks where data entries originate and guides users to related forms.
- IMPROVED! Click-and-Fix Auditor - Checks for errors, missing information and lost deductions, including those that might instigate an IRS audit.

TaxCut Remains the Best Value for All Tax Situations

TaxCut continues to lead the tax software industry in value, offering comprehensive products at low prices in retail outlets and online at www.taxcut.com. TaxCut Platinum, which includes special investors' tools, one free Ask-a-Tax Advisor session, one free TaxCut State program and one free e-filed federal return (each with mail-in rebate), is just \$29.95 after a \$10 rebate. TaxCut Deluxe, which includes one free TaxCut State program and one free e-filed federal return (each with mail-in rebate), is just \$19.95 after a \$5 rebate. The TaxCut Standard edition retails for just \$9.95 after a \$5 mail-in rebate.

TaxCut and Microsoft(R) Money have joined for the third consecutive year, offering a great value in both tax preparation and personal financial management software. Clients who purchase TaxCut get Microsoft's award-winning Money Standard software for free with a mail-in rebate. The \$34.95 value also is good toward the purchase of Money 2003 Deluxe or Deluxe & Business. Taxpayers can easily manage and take control of their finances throughout the year with Money and seamlessly import the data into TaxCut for next year's return.

Regardless of the complexity of their tax and financial situation, taxpayers can find TaxCut at everyday low prices - making it the best value for do-it-yourselfers.

H&R Block DeductionPro(TM) Helps Taxpayers Maximize Charitable

Deductions

New this year, TaxCut customers can potentially save even more by using H&R Block DeductionPro. This new software helps taxpayers maximize the tax benefits of their charitable donations by providing thousands of accurate, fair-market values for hundreds of the most commonly donated household items, including clothing, sporting goods, furniture and household appliances.

H&R Block DeductionPro provides tools for easy, year-round tracking of all charitable donations at single location. DeductionPro helps users maximize the tax savings from all types of charitable donations, including cash and non-cash goods, out-of-pocket expenses, mileage and more.

In addition to providing values for donated items, DeductionPro simplifies record keeping and assists in the reporting necessary for the user's tax return.

DeductionPro is available for purchase at retail outlets and online at www.taxcut.com (a) TaxCut Deluxe was rated as the best tax preparation software for

the 2001 tax season by several product reviewers, including those

with The Wall Street Journal and PC Magazine.

About H&R Block

H&R Block Inc. (www.hrblock.com, <http://hrblock.com>) is a diversified company with subsidiaries that deliver tax services and financial advice, investment and mortgage products and services, and business accounting and consulting services. As the world's largest tax services company, H&R Block served nearly 23 million clients during fiscal year 2002. Clients were served at the approximately 10,400 H&R Block retail offices worldwide and through the company's award-winning software, TaxCut(R), and its online tax services. H&R Block is the only major tax and financial services company that focuses primarily on helping middle-income taxpayers achieve their financial goals. Investment services and securities products are offered through H&R Block Financial Advisors Inc., member NYSE, SIPC. H&R Block Inc. is not a registered broker-dealer. H&R Block Mortgage Corp. offers retail mortgage products. Option One Mortgage Corp. offers wholesale mortgage products and a wide range of mortgage services. RSM McGladrey Inc. serves mid-sized businesses with accounting, tax and consulting services.

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