

For Americans During Tax Season, the Money is in the Details; H&R Block Double Check Challenge May Save Taxpayers a Considerable Chunk of Change

March 12, 2003 11:01 AM ET

KANSAS CITY, Mo., Mar 12, 2003 (BUSINESS WIRE) -- Becoming \$17,000 richer in one day usually doesn't happen unless a person picks the lucky lottery numbers. But Calif. residents, Rick and Judy Maciel found another quick way to the jackpot: they amended and re-filed a previously filed tax return.

When the Maciels filed their 2000 tax return through a tax attorney's office, they were advised they had to pay taxes for the sale of their home, resulting from a job relocation. After participating in H&R Block's Double Check Challenge, the Maciels learned that this was an overlooked deduction and were able to claim the sizeable credit.

"It was easy to have H&R Block double check our taxes," Rick Maciel said. "I know now how critical it can be to have a tax professional review your return to be sure you get every deduction or credit. It can have a big impact on your refund and, for that matter, your life."

According to a recent survey(a) by H&R Block, the Maciels are not alone. Fifty-two percent of Americans aren't sure of the tax breaks they qualify for when preparing their income tax returns. Taxpayers make financial-related decisions each day that may affect the type of tax deductions and the amount of tax credits for which they are eligible. Overlooking these seemingly insignificant, daily financial situations could be costing Americans millions in tax deductions and credits. According to tax professionals at H&R Block, many filers typically overlook the Earned Income Credit (EIC), job relocation expenses, mortgage interest, child-care expenses, charitable contributions and the exercising of stock options.

In fact, it adds up to much more than pocket change. Missed deductions and credits resulted in more than 2 million Americans overpaying their taxes by approximately \$945 million, an average overpayment of more than \$400 per taxpayer, according to an April 2002 report from the General Accounting Office.

An Easy Solution For Finding Overlooked Deductions/Credits

Through the Double Check Challenge, a free professional review of previously filed tax returns, an H&R Block tax advisor can help identify all the breaks for which a taxpayer qualifies. If a missed deduction or credit is found, an amended return must be prepared and filed to receive the benefit.(b) Current tax laws allow taxpayers to file amended returns for the previous three years, meaning taxpayers could have their 1999, 2000 and 2001 returns double checked.

"A free, professional review of old tax returns is an easy way for taxpayers to ensure they are getting every benefit the tax laws allow. Our research shows that more than 60 percent of taxpayers surveyed would be interested in an opportunity to have their tax returns reviewed," said Rick Rodenbeck, spokesperson for H&R Block. "We've helped taxpayers receive thousands of dollars in refunds due to an overlooked tax break in a previously prepared return. Our intent is to help taxpayers become aware of the opportunity for potential refunds."

Last year, 89 percent of those who took advantage of the Double Check service and for whom Block prepared an amended return received additional money back. While the average refund was \$1,300 per filer, in some cases it can be much more. Take Kenneth Olivo, for example. Last tax season, the H&R Block associate preparing this Shirley, N.Y. resident's taxes asked if Olivo wanted his previously prepared returns double checked. Olivo discovered the friend who had been doing his taxes overlooked the EIC. An amended return reunited Olivo with the more than \$6,000 he had overpaid in taxes.

"People may think they don't qualify for the EIC, don't do the worksheets and miss out on this important tax credit" noted Olivo. "I was really surprised to learn that we could amend and re-file my returns to get the money back."

To learn more about the H&R Block's Double Check Challenge go to www.hrblock.com.

(a) Omnibus survey of more than 800 taxpayers. (b) Preparation fees for an amended tax return apply. About H&R Block

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