

H&R Block's Unparalleled Online Tax Preparation Debuts this Weekend with the Opening of IRS' E-Filing Season

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KANSAS CITY, Mo., Jan 10, 2002 (BUSINESS WIRE) -- H&R Block Inc. (NYSE:HRB):

New Features at hrblock.com Save Consumers Time and Money with Instant Access to Block's Nationwide Network of Tax Professionals

With some of more than 440 tax law changes taking effect for 2001 returns, and an anticipated increase in the number of electronically filed returns, U.S. taxpayers this year will be looking online for convenient, professional assistance from a trusted source.

H&R Block delivers via the company's Web site, which this weekend debuts new products, services and technical enhancements that offer the widest range of online taxpayer services on the Internet. The Web site is located at www.hrblock.com.

By combining the expertise of its nationwide network of tax professionals with the speed and convenience of the Internet, H&R Block provides the advice taxpayers need to comply with, and, where applicable, benefit from, tax law changes. hrblock.com is a comprehensive resource for all tax-related needs, from in-depth content with the latest tax advice to tools that enable users to plan for their future.

"Online taxpayers can conveniently access our expertise to ensure that they take full advantage of the benefits afforded them by the new tax laws," said Mark A. Ernst, H&R Block president and chief executive officer. "Site enhancements make this the best and fastest online tax preparation system we've ever offered, and there's an array of new products and services that enable our clients to choose how their taxes are prepared and reviewed."

All of H&R Block's online tax preparation services include electronic filing at no additional charge. Do-it-yourselfers who prepare their taxes online or using software save time and are more satisfied with the tax preparation process than their paper-and-pencil counterparts, according to a survey conducted by the American Customer Satisfaction Index.

Taxpayers e-filing their returns also typically receive refunds sooner, in as little as 1-2 weeks as opposed to 6-8 weeks for mail-in returns. And, electronic filing reduces the chance for processing errors: the Internal Revenue Service estimates that the accuracy rate for e-filed returns is 99 percent, as opposed to the 80 percent accuracy rate for paper tax returns.

Highlights of hrblock.com's new and expanded time- and money-saving features include:

- Professional Tax Service -- For the taxpayer who wants all the benefits of professional tax preparation combined with the convenience of the Internet, H&R Block's Professional Tax Service is the answer. Taxpayers provide their tax information online and H&R Block does the rest, preparing, reviewing, filing and delivering a signed tax return to the client, usually within 48 hours. Professional Tax Service clients receive the same one-on-one attention and personal advice as someone walking into a nearby H&R Block office. Priced at \$79.95 until April 1, Professional Tax Service includes one federal return, which includes e-filing. The State return costs \$29.95, which includes e-filing, where available. After April 1 the cost of the federal Professional Tax Service is \$99.95.
- Online Tax Program -- For the do-it-yourself taxpayers looking for a faster, easier solution than traditional pen and paper, H&R Block offers its Online Tax Program. Priced at \$19.95 until April 1, the Online Tax Program includes electronic filing of the federal return. After April 1 the cost of the Online Tax Program is \$29.95 for the federal return. One state return can be prepared for an additional \$9.95, with e-filing included, where available. The Online Tax Program performs calculations, checks for

common errors and automatically fills in the appropriate forms. It can cut hours off tax preparation time and, with electronic filing, can cut weeks off the time required to receive a refund, delivering comprehensive, easy-to-use tax tools directly to the taxpayer's home. Do-it-yourself taxpayers looking for reassurance can easily access Block's professional tax expertise from the Ask A Tax Advisor service.

- Online Tax Plus -- For the do-it-yourselfer who uses Block's Online Tax Program but wants professional validation, Online Tax Plus clients have their self-prepared returns reviewed by an H&R Block tax professional who also answers clients' questions before the return is filed. Priced at \$49.90 until April 1, Online Tax Plus for the federal return includes electronic filing. After April 1 the cost of Online Tax Plus for the federal return is \$59.90, which includes electronic filing. A state return can be prepared for an additional \$9.95, with no additional charge for e-filing, where available.

Taxpayers receive all the features offered in the Online Tax Program, plus the added security and reassurance of an H&R Block tax professional reviewing their return for errors and opportunities to save. Along with their tax return, Online Tax Plus customers also get personalized financial plans generated by H&R Block Financial Advisors.

- Ask A Tax Advisor -- H&R Block has made getting tax advice faster and easier than ever before. H&R Block's nationwide network of tax professionals will offer personalized tax assistance via the company's Ask A Tax Advisor service by phone at 1-800-hrblock, as well as through the company's Web site (www.hrblock.com) and its TaxCut(R) software. H&R Block is localizing Ask A Tax Advisor inquiries by linking most clients to tax professionals who have expertise in that state's particular tax laws. The Ask A Tax Advisor service is priced at \$19.95 per solution.

H&R Block also offers its award-winning TaxCut software program for those taxpayers who want to use a desktop software program on their own computer. For more information about TaxCut, go to www.taxcut.com.

About H&R Block

H&R Block Inc. is a diversified company with subsidiaries providing a wide range of financial products and services. In 2001, H&R Block served 19.2 million taxpayers -- more than any tax or accounting firm -- through its more than 10,400 offices located in the United States, Canada, Australia and the United Kingdom. H&R Block served another 2.3 million tax clients through its award-winning TaxCut(R) software program and through its online tax preparation services. 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 Corporation and Option One Mortgage Corporation offer a wide range of home mortgage products. RSM McGladrey Inc. is a national accounting, tax and consulting firm with more than 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.

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