

## H&R Block Urges Clients to Understand Refund Anticipation Loans

January 30, 2007 2:01 PM ET

### What to Consider When Making Your Decision

KANSAS CITY, Mo.--(BUSINESS WIRE)--Jan. 30, 2007--Taxpayers who want quick access to funds during tax season sometimes look to refund anticipation loans as an option. Understanding the cost and obligation associated with these loans is important in deciding if the product is a good fit for a taxpayer's individual situation. H&R Block recommends anyone thinking about a refund anticipation loan consider five key elements when determining whether it is the best option.

- A refund anticipation loan is not required to e-file a return with the IRS.
- Know the options for receiving payment. While a refund anticipation loan may provide money in one to two days, a refund can be available in as little as 8 to 15 days by e-filing the tax return and requesting direct deposit to an existing bank account.
- Clarify all costs and terms of the refund anticipation loan, and understand there is a responsibility for repaying the loan even if the IRS does not send the full refund expected.
- Shop for the best price. The average loan amount of \$2,800 costs about \$60 at H&R Block when the proceeds are deposited to an H&R Block Emerald Prepaid MasterCard(R) (less than half the bank fees associated with the same refund anticipation loan amount provided by the nation's second-largest retail tax preparation company, when the loan is placed on a competitor's card).
- Select a company which employs experienced tax professionals, enforces a code of ethics, and has a quality reputation.

"This year, clients can receive the proceeds of their loan payment on the H&R Block Emerald Prepaid MasterCard(R), which is tied to an FDIC-insured bank account," said Tim Gokey, President, H&R Block Retail Tax Services. "Clients can direct deposit funds to the account year-round with no fee for point-of-sale purchases, have access to a worldwide ATM network, and can avoid expensive check-cashing fees."

H&R Block's more than 90,000 tax professionals are trained to disclose information about refund anticipation loans in a simple process so clients can make informed choices:

- Inform each client of no-cost filing options first.
- Present a comparison of all filing options to illustrate the cost of each and the time required to receive their refund or loan amount.
- Review a plain-language, consumer-friendly disclosure document called "Facts About RALs" with each client who is considering a refund anticipation loan.
- Clearly explain repayment options and other obligations for a loan.
- Remind clients they can keep more of their refund amount by choosing a non-loan product.

As the nation's leading tax services provider, H&R Block is committed to helping Americans during this often stressful time by encouraging taxpayers to ask the right questions and make informed choices for themselves or their families. Experienced tax professionals are available to discuss taxpayers' individual situations, at no charge and with no obligation.

### About H&R Block

H&R Block Inc. (NYSE: HRB) is a leading provider of tax, financial, mortgage, accounting and business consulting services and products. H&R Block is the world's largest tax services provider, having prepared more than 400 million tax returns since 1955. The company and its subsidiaries generated revenues of \$4.9 billion and net income of \$490 million in fiscal year 2006. The company operates in four principal business segments: Tax Services (income tax preparation and advice via in-office, online and software solutions); Mortgage Services (non-prime mortgage originations and loan servicing); Business Services (tax, accounting and consulting services for midsized businesses); and Consumer Financial Services (investment and financial advisory services, retail mortgage loans and banking services). Headquartered in Kansas City, Mo., H&R Block markets its services and products under three leading brands - H&R Block, Option One and RSM McGladrey. For more information, visit our Online Press Center at [www.hrblock.com](http://www.hrblock.com).

CONTACT: H&R Block Inc.  
Dan Smith, 816-854-4287  
dan.smith@hrblock.com

SOURCE: H&R Block Inc.