

Cash In On Work: H&R Block Identifies Job-Related Tax Breaks

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Taxpayers Often Miss Money-Saving Benefits for Occupational Expenses

KANSAS CITY, Mo.--(BUSINESS WIRE)--March 26, 2007--How much of a tax break do you get for going to work? More and more taxpayers are discovering that their jobs can determine potential credits and deductions - savings that can average more than \$2,400 annually for those eligible for job-related tax benefits, according to H&R Block (NYSE: HRB), the nation's largest tax preparation company.

Nearly 800,000 H&R Block tax clients this year have claimed credits or deductions related to their occupation. But getting lost in the IRS's expanding tax code is easy without the advice of a tax professional who knows what jobs qualify for which benefits.

"People in many lines of work can deduct membership dues, mileage expenses, the cost of equipment and even what they pay for food," said H&R Block Tax Researcher Jackie Perlman. "H&R Block has the expertise to find deductions for a wide range of taxpayers, from truck drivers to fishermen, daycare providers to clergy."

For instance, teachers are eligible to deduct \$250 worth of out-of-pocket expenses, even without itemizing, for classroom-related expenses. Police officers also qualify for a deduction if "to protect and serve" means buying a uniform first. And health care professionals working toward additional credentials can deduct the cost of tuition, books, supplies and even transportation if the expense meets certain criteria.

H&R Block tax professionals provide job-related tax advice for more than 400 occupations, including:

Salespeople: Using a personal vehicle for business may qualify a taxpayer to deduct mileage between offices, customers or business errands, depending on the amount reimbursed by the person's employer.

Health-care professionals: The cost of continuing education to maintain licensure, license fees, professional organization membership, and medical journals may be deductible. So are some uniform expenses.

Production and plant workers: The cost of supplies or equipment bought for work may be deductible. Keep track of receipts for equipment such as goggles, steel-toed boots, and gloves to document the purchase. Union expenses are deductible if they are for dues and initiation fees.

Teachers: While working toward additional teaching credentials, like a master's degree or specialty certification, the cost of tuition, books, supplies, and some transportation costs are deductible if the classes maintain or develop skills essential to your position, meet an employer's requirement or state regulations, and do not qualify the taxpayer for another occupation.

Military personnel: Active-duty pay earned in a combat zone isn't subject to federal income tax, although Social Security and Medicare still must be paid. Non-taxable combat pay is taken into account when the child tax credit is calculated, if you have a qualifying child.

Those working from home: Even if taxpayers don't have an area in their homes set aside for business, they still can deduct business-related expenses incurred at home, like long-distance business calls, additional phone services such as call waiting, and Internet access charges. A person can write off household expenses such as a portion of mortgage interest, heating and electric bills if their home office is used exclusively and regularly for business.

From standard issues like retirement plans to less common deductions, taxpayers can benefit from meeting with a tax professional who understands and appreciates their complex tax situations. Visit www.hrblock.com for more information about commonly missed credits and deductions.

About H&R Block

H&R Block Inc. (NYSE: HRB) is a leading provider of tax, financial, and 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 \$3.6 billion and net income of \$287 million from continuing operations in fiscal year 2006. The company currently operates in three principal business segments: Tax Services (income tax preparation and advice via in-office, online and software solutions); Business Services (accounting, tax and business consulting services for midsized companies); and Consumer Financial Services (investment and financial advisory services and banking services). Headquartered in Kansas City, Mo., H&R Block markets its continuing services and products under two leading brands - H&R Block and RSM McGladrey. For more information visit our Online Press Center at www.hrblock.com/presscenter.

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

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