

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL	
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* ERNST MARK A			2. Issuer Name and Ticker or Trading Symbol H&R BLOCK INC [HRB]			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) Chairman, President and CEO		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 10/19/2007			6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person		
ONE H&R BLOCK WAY			4. If Amendment, Date of Original Filed (Month/Day/Year)					
(Street) KANSAS CITY MO 64105								
(City) (State) (Zip)								

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)			4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price				
Common Stock, without par value	10/19/2007		M		29,904 ⁽¹⁾	A	\$10.0313	306,484.2375	D		

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Call Option to Purchase	\$10.0313	10/19/2007		M			29,904 ⁽¹⁾	09/01/1999	09/01/2008	Common Stock, without par value	29,904	\$0	570,096	D	
Call Option to Purchase	\$12.5							06/30/2002	06/30/2009	Common Stock, without par value	240,000		240,000	D	
Call Option to Purchase	\$8.0938							06/30/2003	06/30/2010	Common Stock, without par value	300,000		300,000	D	
Call Option to Purchase	\$16.1375							06/30/2004	06/30/2011	Common Stock, without par value	360,000		360,000	D	
Call Option to Purchase	\$23.075							06/30/2004	06/30/2012	Common Stock, without par value	240,000		240,000	D	
Call Option to Purchase	\$21.625							06/30/2004	06/30/2013	Common Stock, without par value	220,000		220,000	D	
Call Option to Purchase	\$23.84							06/30/2005	06/30/2014	Common Stock, without par value	220,000		220,000	D	
Call Option to Purchase	\$29.175							06/30/2006	06/30/2015	Common Stock, without par value	260,000		260,000	D	
Call Option to Purchase	\$23.86							06/30/2007	06/30/2016	Common Stock, without par value	376,885		376,885	D	
Call Option to Purchase	\$23.37							06/30/2008 ⁽²⁾	06/30/2017	Common Stock, without par value	425,000		425,000	D	

Explanation of Responses:

- The transaction was executed pursuant to a 10b5-1 pre-arranged trading program, entered into effective July 2, 2007.
- Options vest in three equal annual installments beginning on the first anniversary of the date of grant.

Remarks:

By: Andrew J. Somora per
Power of Attorney

10/19/2007

** Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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