

Offering Aid to the Tsunami Disaster? Your Generosity Now Offers an Immediate Tax Benefit; H&R Block Ready to Assist Clients in Claiming Contributions as a Tax Deduction

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KANSAS CITY, Mo.--(BUSINESS WIRE)--Jan. 7, 2005--The United States Congress passed new legislation yesterday amending the Internal Revenue code. The change allows any charitable cash contribution made in January of 2005 to the victims of the Indian Ocean Tsunami disaster to be deductible on an individual's 2004 tax return. Cash contributions include contributions made by check, charge card and debit card.

"This is great news for the many people who have been so moved by the Tsunami disaster and who have or would like to offer aid to the victims," said Kathy Burlison, director of tax implementation with H&R Block (NYSE:HRB). "Their kindness can now offer them an immediate tax benefit as well."

To qualify, contributions must be made to qualified charitable organizations and must specifically be made for Tsunami relief. Taxpayers who want to make a tax-deductible contribution can elect to take the deduction in 2004 or 2005, depending on what offers them the greatest tax savings.

"H&R Block tax professional can help taxpayers determine which year would be best to claim the deduction, although we expect most contributors to take the deduction in 2004," said Burlison. "To claim the deduction, tax payers will have to itemize and need to have documentation for that contribution. If the amount of the deduction is more than \$250, a receipt will be needed," said Burlison.

For assistance with charitable contributions related to the Tsunami disaster, taxpayers can contact their local H&R Block tax office where tax professionals are ready to assist and answer any questions.

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