

Troubleshooting Tax Extensions: Don't Forget to Pay What You Owe

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H&R Block Helps Taxpayers Through Extension Filings and Returns, Year Round

KANSAS CITY, Mo.--(BUSINESS WIRE)--April 11, 2008--With the April 15 tax filing deadline just days away, millions of Americans may need to buy some time by filing for an extension. H&R Block (NYSE: HRB), America's preeminent tax services provider, says Americans may face penalties, interest and other headaches if they don't closely follow the IRS rules regarding extensions. This year, the IRS is projecting 10.3 million taxpayers may file a request for extension.

"Extensions do buy more time for taxpayers to complete their tax return, but not more time to pay their taxes," said Amy McAnarney, executive director, The Tax Institute at H&R Block. "While the IRS wants payment in full from extension filers by April 15, a tax professional can work with taxpayers to estimate what they owe and choose the best option for payment."

Those who owe taxes can make a payment when they file the extension either by mailing a check or by several electronic payment methods, such as electronic funds withdrawals from bank accounts and credit card payments. Taxpayers who cannot pay the tax owed in full will receive an unpaid balance statement from the IRS, and interest and penalties on the balance due will also be assessed. In most instances, depending on the amount of tax owed, taxpayers can pay the IRS through installment agreements.

U.S. taxpayers residing outside of the country on April 15 have an automatic two-month extension until June 15 to file their returns. Additionally, members of the military serving in Iraq, Afghanistan or other combat zone locations (Bosnia, Pakistan and others), have approximately 180 days after they leave the combat zone to file their taxes.

Using a tax professional can help taxpayers identify qualified tax benefits, file an extension form, and save them time. More than 4,000 H&R Block offices nationwide are open year-round and can assist extension filers. To locate a year-round office nearest them, taxpayers can visit www.hrblock.com.

About H&R Block

H&R Block Inc. (NYSE: HRB) is the world's preeminent tax services provider, having served more than 400 million clients since 1955 and generating annual revenues of \$4 billion in fiscal year 2007. H&R Block provides income tax return preparation and related services and products via a nationwide network of approximately 13,000 company-owned and franchised offices and through TaxCut(R) online and software solutions. The company also provides business services through RSM McGladrey and certain consumer financial services. For more information visit our Online Press Center at www.hrblock.com.

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