



H&R BLOCK

CANADIANS HOPE HARPER WILL GIVE THEM A BREAK TAXPAYERS URGE ACROSS THE BOARD CUTS IN TAX POLL

Calgary, Alberta – January 22, 2009 – With a Federal Budget looming on January 27, Canadians are pondering their wish list to the government. According to a recent poll conducted by Angus Reid Strategies for H&R Block Canada, nearly three quarters of Canadians would task the federal government to introduce significant tax credits or tax cuts in the budget.

The poll by Angus Reid Strategies asked 1,010 Canadians what tax measures they would take if they were the Federal Finance Minister. Coast to coast, the majority of Canadians supported new tax cuts or credits from 68 per cent in Atlantic Canada to 76 per cent in Quebec.

When asked which tax cuts should be made first priority, 37 per cent of those surveyed supported a general reduction in income tax rates. In contrast, there was considerably less support for tax breaks that would only benefit specific groups. Only 12 per cent supported new tax breaks for families with children, 14 per cent supported breaks for seniors on fixed incomes, and 12 per cent supported a tax credit on mortgage interest.

“It seems that most Canadians are feeling the effects of “tax exhaustion” and they think the best way to treat that problem is tax reductions across the board, not just for a few.” says Cleo Hamel, Senior Tax Analyst, H&R Block Canada Inc. “Of course, Canadians still have a lot of compassion for people in tight financial situations, and that was also reflected in the survey results.”

Of those surveyed, 25 per cent said they would eliminate income tax for people making less than \$15,000 a year if they were finance minister. Twenty-two per cent said they would like to see an increase to the personal exemption amount. Both of those suggestions would benefit lower-income Canadians the most.

While there was huge support for lowering personal income tax rates, other taxes did not seem to draw much attention from Canadians who participated in the poll. Only seven per cent prioritized a reduction in the GST, four per cent said Employment Insurance premiums should be reduced and 16 per cent supported a reduction in gasoline taxes.

“The survey showed that Canadians are looking for the Federal government to help stimulate the economy,” says Hamel. “For example, half of those Canadians surveyed (50 per cent) said the federal government should boost Registered Retirement Saving Plan (RRSP) limits to boost the investment sector. This would provide a healthy tax break for contributors while helping the overall economy.”

Survey results by region:

QUEBEC

- Quebecers were a bit of a conundrum, showing the highest support in Canada for introducing tax cuts or new tax credits at 76 per cent, but the lowest support for reducing personal tax rates at 24 per cent (compared to national average 31 per cent)

BRITISH COLUMBIA

- Taxpayers in B.C. were the most supportive of a tax credit for mortgage interest (14 per cent).

ATLANTIC CANADA

- The lowest support for introducing new tax cuts or credits was in Atlantic Canada (68 per cent).

ALBERTA

- Alberta residents were the biggest supporters of an increase in RRSP limits with 57 per cent in favour.

MANITOBA AND SASKATCHEWAN

- Thirty per cent of Manitoba and Saskatchewan residents considered increasing the personal exemption amount as a number one priority, the highest support for this across Canada

ONTARIO

- Thirty six per cent of Ontario residents identified reducing personal income tax rates as their highest priority (national average 31 per cent).
- Only 14 per cent of Ontario residents supported an increase to the personal exemption amount (national average 22 per cent)

This Canadian public opinion poll was conducted online by Angus Reid Strategies, from December 15 to December 16, 2008 and surveyed 1,010, randomly selected adult Canadians. The margin of error for the total sample is +/-3.1%, 19 times out of 20.

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For more information, please contact:

Tina Quelch
Calador Communications
(416) 925-6034
tina@calador.ca

Kim Lizmore Campbell
Calador Communications
(416) 287-3693
kim@calador.ca