



California
Society

Certified
Public
Accountants

January 27, 2009

Russ Smyth
Chief Executive Officer
H&R Block
4400 Main Street
Kansas City, MO 64111

Dear Mr. Smyth:

In its marketing, H&R Block touts the accuracy of its tax preparation services and its ability to spot mistakes. We therefore hope that you will apply similar standards to H&R Block commercials and print advertising.

Specifically, we are aware of a new radio commercial indicating that a fictional CPA made a critical mistake on an individual tax return that an H&R Block preparer discovered through a "Second Look" review. Furthermore, the commercial implies that such errors are not uncommon with CPAs.

As we are sure you are aware, CPAs are highly qualified professionals who adhere to high ethical standards. To receive a license, CPAs have to pass rigorous examinations and then maintain their license by taking mandatory continuing professional education requirements, including classes in tax law changes. CPAs usually work with their clients over many years, so they get to thoroughly know their clients' financial history. And unlike H&R Block tax preparers, CPAs can represent taxpayers before the IRS.

We have no objection to H&R Block promoting its tax services—as long as such promotion does not disparage CPAs. Your radio commercial, however, misleads the public regarding the abilities of CPAs who prepare taxes. We urge you to withdraw the commercial and to carefully review future H&R Block commercials and print advertising to ensure their accuracy, especially should they refer to Certified Public Accountants.

Sincerely,

A handwritten signature in black ink that reads "Gregory M. Burke".

Gregory M. Burke, CPA
CalCPA Chair

A handwritten signature in black ink that reads "Loretta Doon".

Loretta Doon, CPA
CalCPA CEO

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