

PRESS INFORMATION
For Immediate Release

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Tax Returns Must Be Filed to Get a Rebate Check **Liberty Tax Service outlines the program**

(Virginia Beach, VA) Tax rebate checks could be in the mail as early as May for those who file a 2007 tax return by the April 15th deadline, according to Liberty Tax Service. The \$170 billion economic stimulus plan will provide tax rebates for 117 million low and middle income Americans, senior citizens, and disabled veterans:

- Up to \$600 to singles making less than \$75,000
- Up to \$1,200 to couples making less than \$150,000
- \$300 rebates per child
- \$300 rebates for tax filers with an income of at least \$3,000

“The rebates are structured so that they won’t offset any tax liability owed for 2007 filing, so taxpayers can’t use their tax rebates to pay off taxes owed by April 15th,” said John Hewitt, CEO of Liberty Tax Service.

Taxpayers choosing to file extensions face a delay in receiving their rebates, and rebate checks will not be issued after December 31st. The IRS will utilize direct deposit for taxpayers who choose this option so that they can receive their rebates more quickly than through the traditional mailing process. All children claimed must have valid social security numbers, and meet the criteria of qualifying child under the IRS code. An individual eligible to be claimed as a dependent by someone is excluded from claiming the rebate.

People with earned income of \$3,000 who do not owe any tax, may want to file anyway to make sure they get the rebate. If you don’t qualify for a rebate based on your 2007 tax return, you may still get the rebate when you file your 2008 return. The rebate is really an advanced refund against your 2008 taxes. If you meet the qualifications when you file your 2008 return, you can claim it then if you didn’t receive a rebate based on the 2007 return.

In addition, businesses will get a larger tax break for expensing equipment and items purchased in 2008. The section 179 expensing increases to \$250,000 for business property purchased and put into service in 2008 or 2009. Property placed in service in 2008 or 2009 is also eligible for a 50% bonus depreciation. Home buyers can benefit from the higher caps that will be placed on size of loans issued by Fannie Mae and Freddie Mac. Current homeowners hoping to refinance may also benefit by a provision to increase maximum mortgage amounts that government agencies provide to 175% of

previous limits. This applies to mortgages issued from July 1, 2007 to December 31, 2008 and can apply for home purchases at a later date.

About Liberty Tax Service:

Liberty Tax Service is the fastest growing retail tax preparation company in the industry's history. Founded in 1997 by CEO John T. Hewitt, a pioneer in the tax industry, Liberty Tax Service (www.libertytax.com) has prepared over 5,000,000 individual income tax returns and currently operates over 2,700 offices throughout the United States and Canada.

Liberty Tax Service provides computerized income tax preparation, electronic filing, and refund loans. With an emphasis on customer service including audit assistance, a money back guarantee and free tax return checking, Liberty Tax Service is well known for its strong commitment to its client base.

With 38 years of tax industry experience, Hewitt stands as the most experienced CEO in the tax preparation business, having also founded Jackson Hewitt Tax Service (**NYSE: JTX**).