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DIY US online tax prep filings up 11%

RESTON, US: comScore, Inc has released an analysis of the Online Tax Preparation segment for the tax season ending 18 April 2012, which showed that the volume of tax returns or units filed online grew 11% from the previous year. Among online do-it-yourself (DIY) tax preparation providers, comScore data showed that Intuit continued to lead the market with nearly 60% of all tax units filed online through the end of the tax season. The three largest DIY online tax preparation providers (Intuit, TaxACT and H&R Block) accounted for more than 92% of DIY tax units filed online for the season.

COMSCORE

"The sustained growth in the volume of tax units filed online in early 2012 shows that Americans continue to become more comfortable with filing taxes online and appear to be especially reliant on market leaders in the online tax prep category to meet their tax needs," said Brian Jurutka, comScore senior vice president. "The top three DIY online tax prep providers dominated the category with a combined 92% of all online filings, offering a strong indication that customers value trusted brands for such important financial undertakings."

Top 3 online tax prep providers continue to account for 9 in 10 online tax units filed

An analysis of the share of online tax units or returns filed through online tax preparation services for the tax season through April 18, 2012 shows that Intuit's TurboTax service led the way with 59.8% of all self-prepared units filed online. The number of returns filed through TurboTax grew 11% vs. year ago - the second highest growth rate seen for this category. TaxACT, recently acquired by InfoSpace, ranked second with 17.7% of tax units and a year-over-year growth rate of 9% in the number of returns filed online. H&R Block rounded out the top 3 with 14.7% market share while posting the strongest year-over-year growth rate in number of returned filed at 20%.

Online DIY Tax Preparation Provider Share of Online Tax Units Filed* Season though April 18, 2012 Total US			
- Home and Work Audience (Source: comScore Tax Benchmarker)			

Online Tax Preparation Provider	Share of Online Tax Units Filed	
	Season through April 19, 2011	Season Through April 18, 2012
Intuit (TurboTax)	60.0%	59.8%
InfoSpace (TaxACT)	18.1%	17.7%
H&R Block	13.6%	14.7%
Other	8.3%	7.9%

*Non-Free File Alliance (FFA)

Top 3 providers also dominate display advertising for tax prep category

An analysis of display advertising in the Tax Preparation & Advisory category during Q1 2012 shows that the top 3 online tax prep providers accounted for more than 93% of all category display ads during the quarter. Intuit led the category with 36% of display ad impressions, followed closely by H&R Block and TaxACT, each at nearly 29%.

Tax Preparation Advertiser Share of Display Ad Impressions Q1 2012 Total US - Home and Work Audience (Source: comScore Ad Metrix)		
Tax Preparation & Advisory	100.0%	
Intuit Inc.	36.0%	
H&R Block	28.7%	
ТахАСТ	28.6%	
Other	6.7%	

"Online advertising is becoming a more important part of the marketing mix for the tax prep category, and we once again saw the top 3 providers dominate the landscape with more than 90% market share," added Jurutka. "However, while Intuit holds a strong leadership position in terms of share of online filings, it maintained that position without investing a commensurate share of online advertising."

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