

For Immediate Release:
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TAX WEB SITES ATTRACT MORE THAN 22 MILLION ONLINE USERS, ACCORDING TO NIELSEN//NETRATINGS

Online Tax Services Attract Middle Income Surfers

NEW YORK — April 7, 2003— Nielsen//NetRatings, the global standard for Internet audience measurement and analysis, reports that more than 22 million Internet users visited an online tax services site in February 2003, an increase of 15 percent year-over-year, outpacing the 11 percent growth rate of the general finance, insurance, and investments category. Reaching more than 17 percent of the active online population from home and work, more Americans than ever are leveraging Internet tax resources to download forms, gather information, and to file their taxes.

The online tax services sector continues to expand its reach (see Table 1). The U.S. Internal Revenue Service led the group, attracting 10.1 million unique visitors from home and work, a 25 percent increase year-to-year. TurboTax garnered the second largest unique audience with 6.8 million visitors, representing a 20 percent increase in traffic from the same period in 2002. HRBlock.com drew close to three million surfers. TaxAct.com, offering a lower priced alternative to the big named services, posted more than two million unique visitors. Rounding out the top five was H&R Block's wholly owned online alternative TaxCut.com, with 1.7 million unique visitors.

"In comparison to the overall finance, insurance and investment category, the online tax services segment continues to post above average unique audience growth," said Patrick Thomas, senior Internet analyst, Nielsen//NetRatings.

"Much of the growth is being generated by taxpayers without extensive online tenure who are turning to the Web for the first time to file their taxes," added Thomas. "This suggests a market opportunity for financial companies with minimal tax services offerings to convert these online tax-filers into consumers of other online financial products and services."

Table 1: Nielsen//NetRatings Top Online Tax Services, Ranked by Unique Audience February 2003 (U.S., Home and Work)

Category	Unique Audience (000)		Percent Growth 2/02-2/03
	February-02	February-03	
Online Tax Services Sector	19,449	22,324	15%
1. U.S. Internal Revenue Service (IRS.gov)	8,090	10,104	25%
2. TurboTax*	5,695	6,819	20%
3. HRBlock.com	3,241	2,958	-9%
4. TaxAct.com	1,171	2,049	75%
5. TaxCut.com	1,425	1,755	23%

Source: Nielsen//NetRatings, February 2003

Note: Generated by Nielsen//NetRatings Analytical Services, this report is based on multiple levels of custom data created from top-line numbers and demographic information found on our syndicated services.

*Data for TurboTax comprised of the total unduplicated traffic to www.turbotax.com, www.taxfreedom.com, and www.turbotax.intuit.com.

Demographic Profile: Middle Income Surfers Claim the Bulk of Web Tax Services Activity

Among the top online tax services, households earning between \$25K-\$49,999K and \$50K-\$74,999K comprised the highest compositions, making up roughly 60-65 percent of the total

audience (see Table 2). Surfers with higher household incomes in the \$100K+ range represented much less.

Table 2: Composition Percent Breakdown for Top Online Tax Services, February 2003 (U.S., Home and Work)

Income	Composition Percent				
	IRS.gov	TurboTax.com	TaxCut.com	TaxAct.com	HRBlock.com
\$ 0 - 24,999	6.53	5.65	3.06	8.17	7.28
\$ 25,000 - 49,999	31.04	26.15	29.73	36.67	36.55
\$ 50,000 - 74,999	29.64	32.34	32.00	29.44	31.18
\$ 75,000 - 99,999	16.67	16.99	15.32	17.62	15.85
\$ 100,000 - 149,999	10.36	13.61	13.28	5.75	7.45
\$ 150,000+	3.85	3.89	5.57	1.08	1.17

Source: Nielsen//NetRatings, February 2003

“Computer based software and Internet tax preparation services have changed the way Americans prepare their taxes,” said Thomas. “It’s become an easy and affordable option for many surfers within the middle income brackets who most often put a premium on ease of completion and know the Internet can also help them get their refund quickly.”

About Nielsen//NetRatings

Nielsen//NetRatings is the global standard for Internet audience measurement and analysis and is the industry’s premier source for online advertising intelligence with its NetView, AdRelevance, @Plan and WebRF services. Covering 70 percent of the world’s Internet usage, the Nielsen//NetRatings services offer syndicated Internet and digital media ratings reports and custom-tailored data to help companies gain valuable insight into their business. For more information, please visit www.nielsen-netratings.com.

Editor’s Note: Please source all data to Nielsen//NetRatings.

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