

Instructions to EROs Providing Refund Advance Loans in New Mexico (for 2019 filing season)

The laws of your state may require you to provide certain specified information to all applicants for our Refund Advance Loan product. We are providing you with a hand out disclosure to aid your compliance with applicable law. You must complete the blanks on the form before you provide the form to the applicant(s). The applicant(s) must sign and date the form, and you must retain a signed copy for your files and provide a signed copy to the taxpayer.

Please Note: There may be additional state, city, or local provisions on additional disclosures, oral disclosures, or translations of the disclosures. Noncompliance could result in financial or criminal penalties. Additionally, we are required to suspend your account with us if you do not comply with applicable state law.

Attached you will find a one page disclosure.

Legal Notice: These forms are provided as a courtesy. No representations or warranties are made that these forms fully comply with all disclosure requirements for tax refund products under applicable state, city, or local law. Please seek the opinion of your own attorney regarding pertinent state laws governing your offering of tax refund products in your state to ensure your compliance with all applicable state laws.

▶ “Refund Anticipation Loan“ means a loan that is secured by or that the creditor arranges or expects to be repaid, directly or indirectly, from the proceeds of the consumer's federal or state personal income tax refunds or tax credits, including any sale, assignment or purchase of a tax refund or tax credit at a discount or for a fee.

▶ Refund Anticipation Loans are available in four possible increments: (1) \$500, (2) 25% of expected tax refund at no fee or interest, (3) 50% of expected tax refund at 36% APR, or (4) 75% of expected tax refund at 36% APR. **Examples below are based on an expected tax refund amount of \$5,200.**

AMOUNT FINANCED The amount of credit provided to you or on your behalf.	ANNUAL PERCENTAGE RATE The cost of your credit as a yearly rate.	FINANCE CHARGE The dollar amount the credit will cost you.	TOTAL OF PAYMENTS The amount you will have paid after you have made all payments as scheduled.
\$500	0.00%	\$0.00	\$500.00
\$1,300 (25% of expected refund)	0.00%	\$0.00	\$1,300.00
\$2,600 (50% of expected refund)	36%*	\$61.55*	\$2,661.55*
\$3,900 (75% of expected refund)	36%*	\$92.32*	\$3,992.32*

* *Estimated amount assuming loan repaid in full within 24 days of electronically filing. Early payments and partial payments may decrease the amount of interest owed. Late Payments may increase the amount of interest owed; however, the interest will cease to accrue after 45 days.*

▶ This agreement is considered to be a loan and not your actual tax refund or tax credit. You are borrowing money against your anticipated tax return.

▶ Neither the IRS nor the New Mexico taxation and revenue department guarantees that a person will be paid the full amount of an anticipated tax refund, nor do they guarantee that an anticipated tax refund will be deposited into a person’s account or mailed on a specific date.

▶ You are not responsible for repayment of the loan and related fees in the event the income tax refund is not paid or not paid in full.

▶ This business is licensed and regulated by the New Mexico Regulation and Licensing Department, Financial Institutions Division, P.O. Box 25101, 2550 Cerrillos Road, Santa Fe, New Mexico 87504. To report any unresolved problems or complaints, contact the division by telephone at (505) 476-4885 or visit the website: www.rld.state.nm.us/financialinstitutions/.

▶ If approved, your loan proceeds will normally be disbursed to you within 1 business day.

▶ You have the right to cancel a Refund Advance Loan if you call our Customer Service Center before the Refund Advance Loan funds are disbursed to you. You also may prepay the Refund Advance Loan before the due date so that the payment is not taken out of your tax refund. You will not be charged a fee or penalty if you choose to prepay the Refund Advance Loan. Ask your tax preparer for more information on how to avoid certain fees by applying for a Refund Advance Loan without using the Refund Disbursement Service.

By signing below, you acknowledge you have received this important information before signing the Refund Advance Loan application and agreement and that you understand the disclosures herein.

Taxpayer: _____

Date: _____

Joint Taxpayer (if filing jointly): _____

Date: _____