

Before You Hire a Tax Preparer

- 01** Find out about the tax preparer's qualifications, such as education and experience.
- 02** Make sure you know how much each tax preparation service, including each IRS tax form and other work, will cost.
- 03** Make sure the tax preparer gives you a written estimate of all fees before the tax preparer provides any services.
- 04** Make sure you get a written agreement outlining services to be provided.

When Your Return is Completed:

Review the entire return before you sign and ask questions if needed; Make sure your preparer signs the return and includes their PTIN on the federal; and You are entitled to get all of your papers back, including copies of all final returns, without any extra charge.

All disclosures must be provided in English or Spanish, based on your preference.

Todas las divulgaciones deben proporcionarse en inglés o español, según su preferencia.

Tax Preparation Resources

To learn more and for additional information, visit cabq.gov/taxpreprights.

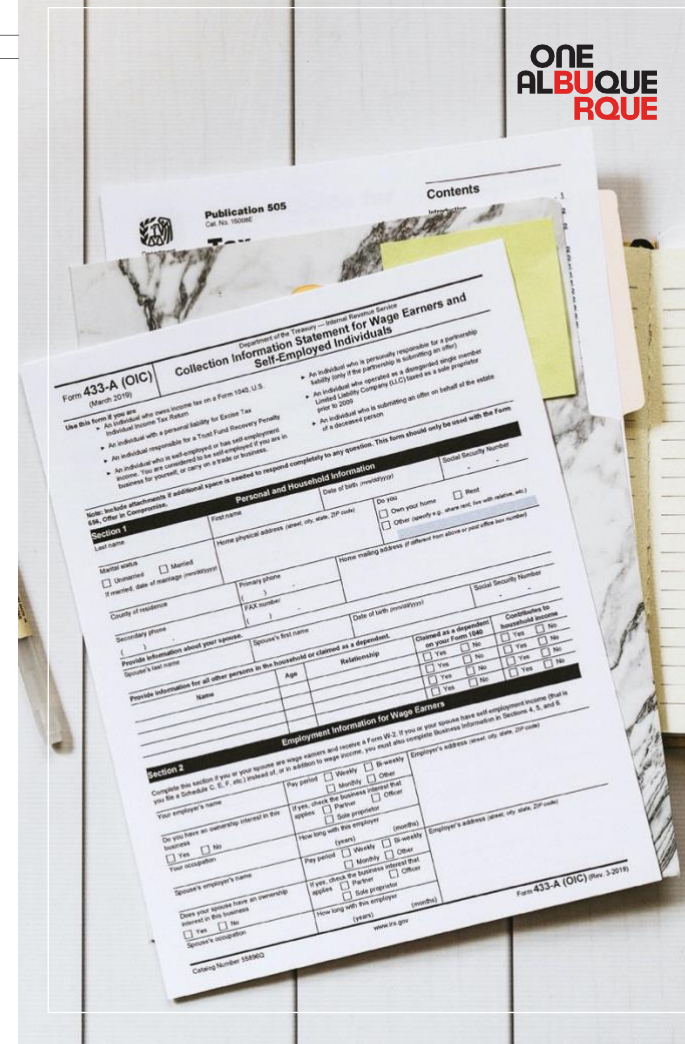
File a Complaint

To file a complaint about a tax preparer, visit cabq.gov/taxpreprights or call 311.



UNSPASH / STELLERWER, COVER: UNSPLASH / KELLY SKREMA

FOR MORE DETAILED INFORMATION, VISIT
CABQ.GOV/TAXPREPRIGHTS.



THE CITY OF
ALBUQUERQUE

Consumer Bill of Rights for Paid Personal Income Tax Preparation Services

*Know Your Rights Before You Hire
a Tax Preparer*

Tax preparers must provide a copy of this brochure before you sign any agreement. They are required to provide specific disclosures about costs and services.

Top Three Things a Tax Preparer Should NOT Do

- 01** A preparer should never prepare your return without reviewing your records.
- 02** A preparer should never ask you to sign:
 - a blank return;
 - an incomplete return;
 - a return with false information on it; or
 - a return with information that you do not understand.
- 03** A preparer should never guarantee that:
 - you'll receive a tax refund; or
 - you won't be audited by the IRS or the New Mexico Taxation and Revenue Department (NMTRD).

Key Tax Credits

Earned Income Tax Credit (EITC) and **NM's Working Tax Credit (WTC)** help low-income taxpayers receive money as a refund even if your income is too low to pay taxes.

Make sure the tax preparer has taken these credits into consideration when preparing your taxes.

FOR MORE DETAILED INFORMATION, VISIT
CABQ.GOV/TAXPREPRIGHTS.



Refund Anticipation Loans (RAL) or Refund Anticipation Checks (RAC)

Using a refund anticipation product or loan is optional. Tax preparers cannot require you to take out a **Refund Anticipation Loan** or any other refund settlement product when preparing your tax return.

What's a Refund Anticipation Loan?

A Refund Anticipation Loan (RAL) allows a taxpayer to borrow money from a lender using the anticipated tax refund as collateral or security for repayment of the loan. The NM Tax and Revenue Department requires any entity providing RALs to taxpayers to disclose that a RAL is an interest-bearing loan, not a faster way to receive income tax refunds.

Under New Mexico law, a lender may charge up to 175% annual percentage rate (APR) on a loan. The rate and cost of a loan must be disclosed.

Deferred Fee Payment Options

The tax preparer may offer you products to delay payment for tax preparation fees at the time of service. The tax preparer will take its fees out of your refund. These deferred payment products may be called a **Refund Advance Check (RAC)** or a **Refund Transfer (RT)**.

For a RAC or RT, the tax refund is directly deposited in a temporary bank account that is opened for the taxpayer.

The tax preparer deducts the tax preparation fees and any other authorized fees from the account and the remaining funds are paid to the taxpayer by direct deposit, check or prepaid card.

There typically are fees to set up the bank account or to get your refund by check. There may be fees to use a pre-paid card.