

City of Albuquerque
Mayor Tim Keller

Contact
cabq.gov/taxpreprights | Call 311

February 2021

Albuquerque Consumer Bill of Rights for Paid Personal Income Tax Preparation Services

This document will help you protect yourself when you hire a tax preparer. Tax preparers must provide a copy of and review the information in this document before you sign any agreement.

Before You Hire A Tax Preparer:

- Tax preparers must provide and verbally review their identity and qualifications, including years of education and experience directly related to tax preparation service. Tax preparers should display this information at their business.
- Ask how much each tax preparation service costs. Your tax preparer should provide this information describing each tax preparation services and fees and display a price list.
- You are entitled to a written estimate of all fees before services are provided. Your tax preparer must provide a written estimate of the total cost for all charges based on the services that you select and other fees they might charge.
- You are entitled to a written agreement outlining the services to be provided. Albuquerque law prohibits any fee without a written contract.

Albuquerque Law Prohibits A Tax Preparer From:

- Tax preparers should never prepare your return without reviewing your records, including information about your dependents, childcare expenses, or tuition expenses. You should beware of tax preparers who ask you to sign a blank return, promise a big refund before looking at your records, or charge



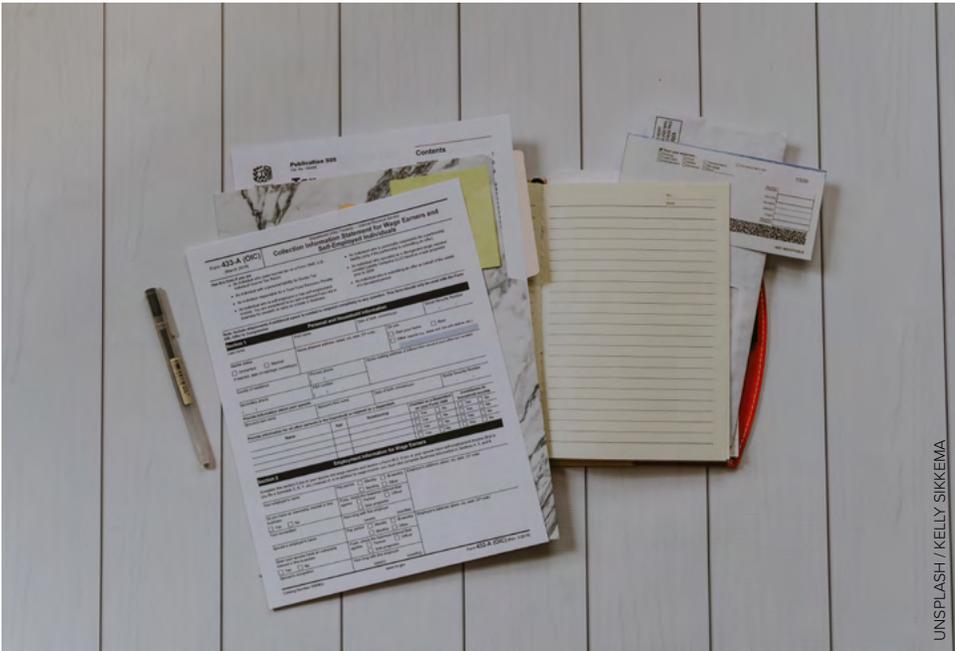
Other Information

April 15: Deadline for Filing
Oct. 15: Deadline for Filing
(If you requested an extension)

For more tax information, visit: irs.gov

Beware of Refund Anticipation Loans (RALs), Refund Anticipation Check (RAC), or Similar Products

A RAL is a loan from a lender that you must pay back and will be based on the value of your tax refund, but it may be marketed as a way to get your refund faster.



Beware of Refund Anticipation Loans (RALs), Refund Anticipation Check (RAC), or Similar Products (Continued)

It is an expensive way to get your refund faster.

The loan will substantially reduce your refund because the lender charges you interest and might also charge additional fees.

fees based on a percentage of the refund.

- A tax preparer should never ask you to sign:
 - o a blank return;
 - o an incomplete return;
 - o a return with false information on it; or
 - o a return with information that you do not understand.
- A tax preparer should never guarantee that you will receive a tax refund or will not be audited by state or federal government.
- Tax preparers cannot require you to take out a Refund Anticipation Loan (RALs), Refund Anticipation Check (RACs), or other similar products. Tax preparers are required to follow state and federal disclosure requirements if you choose one of these optional deferred payment options.

You Have The Right To Receive:

- A free copy of your tax return when filed or given to you to file. Tax preparers must return all personal papers and any schedules prepared within five days of filing.
- Your tax refund directly deposited into your own bank account.
- An itemized receipt that lists the individual cost of each

- If you choose the RAC payment option, tax preparers typically set up a temporary bank account in your name into which your tax refund will be directly deposited. The tax preparer has access to this account and will deduct their fees from your tax refund, then give the remaining money to you.
- If you use the RAC to delay paying tax



For more information or to file a complaint against an individual offering tax preparation services, contact the city's non-emergency phone number 311 or visit cabq.gov/taxpreprights.

To file a complaint about a tax preparer: Go to cabq.gov/taxpreprights; or call 311.

service, and explains any excess charges. The receipt must list the address and phone number where you can contact the tax preparer throughout the year.

- A written estimate of the dollar amount and percentage taken from your tax refund if you select a Refund Anticipation Loan (RALs), Refund Anticipation Check (RACs), or similar product.

What To Review On Your Draft Tax Return:

- You have the right to review the final draft tax return before the tax preparer files the tax return with the federal or state government.
- **Standardized Deductions** may reduce any money owed to the federal or state government to zero. Be cautious if the tax preparer offers itemized deductions or similar services before determining which is more advantageous to you. Claiming itemized deductions may cost more for tax services but result in a smaller refund.
- **Earned Income Tax Credit (EITC)** and **New Mexico's Working Tax Credit** help low-income taxpayers receive money back 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. Review this section of your return before it is filed to make sure it is accurate and complete.
- You, not the tax preparer, bear the ultimate responsibility for taxes owed or information provided to the IRS, including any amount erroneously given to you by state or federal government.

Where To Receive Free Tax Preparation Services:

- **IRS Free File** lets you prepare and file your federal income tax online for free. Visit [irs.gov](https://www.irs.gov) for more information.
- **Free Tax Preparation:** There are multiple nonprofit organizations that offer free tax preparation, including the IRS Taxpayer Assistance Center in Albuquerque, Volunteer Income Tax Assistance (VITA) programs, and Low-Income Taxpayer Clinics (LITC).

Go to: cnm.edu/depts/taxhelp.

Beware of Refund Anticipation Loans (RALs), Refund Anticipation Check (RAC), or similar products (Continued)

preparation services, such as receiving a prepaid credit card before you receive your tax return, you may lose a large amount of your tax refund due to high interest rates.

- The tax preparer may offer you these products and let you delay payment on the tax preparation services, instead taking its fees out of your refund.

Be aware that all of these options may have additional fees, increase the tax preparation fee, or delay the receipt of your refund.



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