

Important Notification

State Requirements for Preparers Offering Tax Refund Loan Products

There are 20 states that have regulations for preparers who offer tax refund loan products with the following types of requirements:

- Six States require a preparer to register if they offer loan products. In Connecticut, Oregon, and New York, if the practitioner is registered as a tax preparer, they meet the registration requirement. Preparers must also follow the State disclosure and other requirements provided for in State's regulation for loan providers.
- Ten States require preparers to follow State disclosure and other requirements provided for in State's regulations for loan providers and/or preparers.

Here are the details for each State in each of the two categories of State requirements:

- States that Require Preparers to Register
- States that Require Disclosures and Other Requirements of Preparers

States that Require Preparers to Register:

North Carolina

The North Carolina [Refund Anticipation Loan Act](#) explains the registration requirements and other requirements for a business that offers RALs.

Must go to the North Carolina Commissioner of Banks — [Refund Anticipation Loan Facilitators Overview](#) website and from there you can link to the online application and get the latest reporting requirements and due dates.

Texas

These companies facilitate loans against anticipated tax refunds. They offer rapid tax refunds for people who can't wait. The service allows people to "Get your tax refund today rather than later." They also:

- Must be engaged in business of preparing tax returns
- Must display and discuss fee schedule(s)
- Often use a federal pre-emption structure

Must register and pay fee on the [Texas OCCC – Refund Anticipation Loan](#) (ALECS) website.

Washington

Washington businesses that offer tax refund anticipation loans (RALs) must register with the Department of Financial Institutions (DFI).

Must fill out application and mail to State of Washington with the applicable fee.

The application is available on [Washington State DFI – Tax Refund Anticipation Loan](#) Facilitator's website.

New York

The requirements for tax preparers and facilitators are contained in:

- [Publication 58](#) (Information for Income Tax Preparers) – Page 13 - 15
- [New York Bill of Rights Concerning Tax Preparers](#)

All tax return preparers and loan facilitators must register on the [New York State tax preparer registration](#) page.

Oregon

A person may not be a facilitator of a RAL without being licensed as a tax preparer or consultant in Oregon.

Here are the relevant Oregon regulations:

- Qualifications Tax Consultants and Preparers – [2017 ORS 673.625](#)
- Refund Anticipation Loan Disclosures – [2017 ORS 673.712](#)
- Prohibited Acts – [2017 ORS 637.15](#)

No additional registration is required if the person is already licensed as a tax preparer in Oregon.

Connecticut

Beginning January 1, 2019, affected tax preparers and facilitators cannot engage in the business of, solicit business as, or provide tax preparation services or act as a facilitator, or make representations to be a tax preparer or facilitator (for tax refund bank products) for Connecticut income tax returns without a permit issued by DRS.

Requirements are detailed in the following documents on the State of Connecticut website:

- [Chapter 743ee Refund Anticipation Loans](#)
- [Special Notice 2017\(8\)](#) – New Requirements for Income Tax Preparers and Facilitators of Refund Anticipation Loans and Checks
- [Special Notice 2018\(8\)](#) – Permit Requirements for Tax Preparers and Facilitators

States that Require Disclosures and Other Requirements of Preparers:

Arkansas

Requirements are detailed in the [Arkansas Code Title 4 Subtitle 7 Chapter 116 Refund Anticipation Loan Act](#).

California

Requirements are detailed in [California Business and Professions Code Section 22253.1](#).

Colorado

Requirements are contained in the [Colorado Revised Statute Title 5 Consumer Credit Code – Disclosures Required](#) for RAL facilitators

Illinois

Requirements are contained in the [Tax Refund Anticipation Loan Act](#) on the Illinois General Assembly website.

Louisiana

Requirements are on the Louisiana website on the legislature - [RS 9:3579.4](#) page

Maine

Requirements are on the Maine website under: Title 9-A: Maine Consumer Credit Code: [Article 10: Part 3](#)

Maryland

Disclosure requirements are on the Maryland website on the [HB1206: Commercial Law - Consumer Protection - Refund Anticipation Loans and Checks](#) page.

Michigan

Requirements are on the Michigan legislative website on the [Refund Anticipation Loan Act](#) page.

Minnesota

Requirements are contained in the Minnesota Statute governing [Tax Preparation Services](#) on the Minnesota Office of the Revisor of Statutes website.

New Jersey

Requirements are detailed in [New Jersey Statute Title 17 Section 17:11 D-3 Refund Anticipation Loans](#).

Virginia

Requirements are on the Virginia website under: Title 62; Chapter 25 — Refund Anticipation Loans — [Advertising; posting RAL fee schedule; and disclosures](#)

Nevada

Requirements are on the Nevada website on the [Chapter 604B — Refund Anticipation Loans](#) page.

Tennessee

Requirements are detailed in [Tennessee Code Title 62 Chapter 29 Part 2 Refund Anticipation Loans](#) (Disclosures and Prohibited Activities)

Wisconsin

Disclosure requirements are detailed in [Wisconsin Statute 422.310 Refund Anticipation Loans](#).

They are also detailed on the [Refund Anticipation Loan](#) page of the Wisconsin Department of Revenue website.