

Electronic filing fee:	\$40
Combine that with the fee you will need to pay to the tax preparer:	<u>\$100</u>
Total:	\$215

This is **OVER 10%** of your refund!

This RAL has an APR (Annual Percentage Rate) of **142%** if it beats the IRS by 10 days.

Ways to Save At Tax Time

Here are ways to take a pass on that RAL most folks don't need one and save money at tax time:

E-File with Direct Deposit. File your tax return electronically (E-file) to speed up your refund. Tell the IRS to deposit the refund directly into your bank account you provide your account number right on your tax return. You can get a refund in about 10 days this way without paying one cent extra for a loan. Some of the free tax preparation programs (called "VITA" sites) can file taxes electronically. If you have Internet access, you may be able to get free tax preparation and electronic filing at <http://www.icanefile.org/>.

Get a bank account. If you don't have a bank account, open one up to take advantage of direct deposit. You can use a savings account to receive your tax refund, and maybe save some of it for a down payment on a house or a car, or to build a nest egg.

Wait just a bit longer. Do you really have to get cash from your tax refund today? Can you wait a few weeks to save almost \$100? If you have an urgent bill to pay, ask for more time until the tax refund check comes from the IRS. Don't take on a new expensive debt to pay an old bill.

Avoid check cashers. Check cashers charge an extra fee to cash RAL and tax refund checks. Some check cashers charge up to 7% to cash a RAL check the average is about 3%. So if you receive a \$2,000 refund, it would cost you an average of \$60 to cash the RAL check on top of the RAL and tax preparation fees. A smarter move is to use a bank account.

Save \$ and Avoid RALs Use a VITA Site

A great way to save money at tax time is to go to a Volunteer Income Tax Assistance (VITA) site. VITA sites provide free tax preparation to low- and moderate- income taxpayers. VITA sites are sponsored by the IRA and can be found in libraries, community centers, and other locations during tax time.

For the nearest VITA site, call the IRS general help line at 1-800-TAX-1040 or go to <http://www.tax-coalition.org/>.

**If you are a low-income NH resident facing problems with the IRS over back taxes, the NH Pro Bono Taxpayer Project may be able to help you. For more information on the NH Pro Bono Taxpayer Project call (603) 228-6028.*