

Refund Option Guidance

The Refund Option page lists the available ways your customer can receive their refund. The options can be divided into two categories. The first group details ways a customer receives their refund via a bank product. All fees are automatically deducted from their refund prior to receipt of funds. The second list of choices requires tax preparation payment in advance.

Fees and other costs for these options vary, depending on how fast the customer wants to receive their money. The fastest receipt (RAL Advance) is more expensive than the pre-pay "Check" option described below.

Starting mid-November, your office will be getting telephone calls, asking, "how much do you charge?" The answer to that is, "Our prices are the lowest in town and the tax preparation fees depend on how much your refund is and how quick you want your check. Do you know where we are located?"

Bank compliance requires that clients requesting a bank product should be given all refund options and that preparers be able to answer questions concerning these choices. All customers should read and sign the Consent to Use form prior to agreeing to a refund option. Copies of this can be downloaded from the Training Page of the EZ-Tax Online website.

Refund Options with fees deducted from refund

RAL Advance

If approved, the customer walks out of your office with *money in hand*. Approved RAL Advance will receive a portion of their refund instantly, pending approval of the bank. The balance of their refund comes in the form of a RAL (see below) within 12 hours of IRS acceptance.

A RAL Advance is granted prior to the return being accepted by the IRS. On occasion, returns are rejected for one reason or another. Rejected, approved RAL Advance must be resolved. When this occurs, call the Call Center immediately for instructions.

RAL Check (Refund Anticipation Loan)

This product allows the taxpayer to receive their refund proceeds, less fees, in approximately 12-48 hours after the IRS has acknowledged and accepted the electronic tax return.

There are two ways customers can receive this loan. Typically, choose the "(Check)" box. The "check" selection means that the customer's refund check will be printed in your office.

“(Direct Deposit)” selections deliver the RAL to the customer’s own checking or savings account. Even though the customer avoids some fees, there is a delay in delivery of the loan due to their account. Our banks sends the deposit instantly, however, the customer’s bank can delay crediting the funding for up to two days. *This is not a wise option for most consumers.*

If the client was denied a RAL, the refund option will flip to RT CHECK (see below). Bank fees, tax preparation fees and other fees will be deducted from the refund. HOWEVER, the customer will not be charged the FINANCE CHARGE.

RT CHECK (Refund Check)

RT CHECK commonly refers to as a “two week” wait; as the refund (less fees) is delivered *after* the IRS has released the customer’s refund. There is a button on the Training Page of the EZ-Tax Online website called “RT CHECK Schedule”. This chart is a useful tool to use to estimate when a customer will receive their refund. Note that the IRS does not guarantee when a refund will be released; neither do we.

There are two choices for the RT CHECK, “Check” and “Direct Deposit”.

Check

Check means that your office will print the customer’s refund check, which will have all obligatory fees deducted. This option is designed for those customers who have a neither a personal checking or savings account nor a secure mail box. The refund check will be issued by the bank to your office. You will be notified by the software when such checks are ready.

Direct Deposit

Direct Deposit means that all fees are deducted from the refund before being credited to the customer’s account. This option is slightly cheaper than “Check” selection, and the customer need not return to your office. However, extra care must be made in entering the proper information into the software.

When a customer wishes to have their tax refund deposited into their own bank account **and** has the fees deducted from the refund, choose the (Direct Deposit) spot under the RT CHECK choice. If you have a signed copy of the Consent to Use form, you can click on the Next key. The E-Option page is used to complete the loan application process. Follow instructions on page 8 of the Software Training Manual. When this page is complete, Click Next to open the E-Info page.

The E-Info section asks for information concerning the taxpayer’s bank account and personal identification information. Instructions for completing this can be

found on page 9 of the Software Training Manual. Before you complete this section, obtain a copy of the client's valid government issued ID card. Additionally, you must make copies of certifiable proof that the client's name is on the bank account the refund is intended for. When entering the bank account data, extreme care must be followed, as a single mistake will result in the money being kicked back to the IRS. When this does happen, your company has no way of re-cooping the fees. The client's refund is delayed until the IRS processes the check and re-issues the refund by mail.

Refund Options require pre-payment

Direct Deposit – requires assistance from the EZ-Tax Online call center

Direct Deposit is used when the tax client wants to avoid bank fees and have their full refund go directly into their own checking or savings account. This option requires payment in advance for tax preparation.

By referring to the Refund Cycle Chart, found on the Training Page of the EZ-Tax Online website, one can estimate when this deposit should be made.

Check – requires assistance from the EZ-Tax Online call center

Occasionally, the tax client will want to have their return filed with no bank product attached. This can be achieved by filing the return electronically or by printing and processing the return by mail. An advantage to this is that the customer avoids bank charges. Disadvantages are that the customer MUST pre-pay for the return and that their refund will come in the mail from the treasure department. Some clients do not have a secure mail receptacle.

When this option is used, no predictions of delivery can be made, as the check comes by mail after the IRS processes the return.