

REFUND ANTICIPATION LOAN DISCLOSURE ACT (EXCERPT)
Act 66 of 2009

446.115 Information to be disclosed to taxpayer by facilitator.

Sec. 5.

Before a taxpayer completes an application for a refund anticipation loan, the facilitator shall clearly disclose all of the following in writing to the taxpayer on a form separate from the application:

(a) A listing or table of refund anticipation loan fees and the annual percentage rates charged by the facilitator or lender for 3 or more representative refund anticipation loan amounts. For each refund anticipation loan amount, the schedule shall list separately the amount of each fee and the amount of interest charged by the facilitator or lender and the total amount of fees and interest charged.

(b) That the refund anticipation loan is an extension of credit and not the taxpayer's actual personal income tax refund.

(c) That electronic filing of the taxpayer's tax return is available without applying for a refund anticipation loan.

(d) The average time announced by the appropriate taxing authority within which the taxpayer can expect to receive a refund if the taxpayer does not obtain a refund anticipation loan and the taxpayer's return is filed using either of the following methods:

(i) Electronically and the refund is directly deposited in the taxpayer's bank account.

(ii) By mail and the refund is directly deposited in the taxpayer's bank account or mailed to the taxpayer.

(e) That the internal revenue service with respect to a federal personal income tax return, or the department of treasury with respect to a Michigan personal income tax return, does not guarantee either of the following:

(i) That the full amount of the anticipated refund will be paid.

(ii) A specific date on which the taxpayer will receive the refund.

(f) That the taxpayer is responsible for repayment of the refund anticipation loan and related fees in the event the tax refund is not paid or is not paid in full.

(g) The estimated time within which the proceeds of the refund anticipation loan will be paid to the taxpayer if the loan is approved.

(h) The fees charged by the facilitator or lender if the refund anticipation loan is not approved.

History: 2009, Act 66, Imd. Eff. July 9, 2009