

Sample of how RAL disclosures should appear. All font characteristics in the statute must be followed. Highlighted areas need to be filled in with the borrower's specific loan information for each loan type offered. Note: the actual sign should not have any highlighting. You will need to ensure that the fees listed below are allowable pursuant to statute and rule.

## **Refund Anticipation Loan Disclosure**

A Refund Anticipation Loan is a loan that is secured by or that the creditor arranges or expects to be repaid, directly or indirectly, from the proceeds of the consumer's federal or state personal income tax refunds or tax credits, including any sale, assignment, or purchase of a tax refund or tax credit at a discount or for a fee.

Below is a listing of the Annual Percentage Rate (APR) and all fees that you may be charged upon entering into this loan agreement. The calculation of APR is mandated pursuant to Federal Law (12 CFR Part 1026 – Truth in Lending Act (“TIL-APR”)). It is intended to provide a single value for a consumer to compare the cost of credit between one lender and another. Under New Mexico law, an additional type of annual percentage rate (“NM-APR”) must be disclosed, which may include additional charges that are not included in the TIL-APR. The NM-APR for a loan in an amount of more than \$500 and up to \$10,000 made pursuant to the Small Loan Act of 1955 or the Bank Installment Loan Act of 1959 cannot exceed thirty-six percent. The NM-APR for a loan in an amount of \$500 or less made pursuant to the Small Loan Act of 1955 or the Bank Installment Loan Act of 1959 cannot exceed thirty-six percent plus a fee that shall not exceed five percent of the total principal of the loan and shall not be imposed on any borrower more than once per twelve-month period.

TIL-APR	XX%
NM-APR	XX%
Finance Charge	\$XX.XX
Late Fee	\$ X.XX

The estimated time when you may receive the proceeds from your anticipated tax refund or tax credit is \_\_\_\_\_.

**This agreement is considered to be a loan and not your actual tax refund or tax credit. You are borrowing money against your anticipated tax return.**

**Neither the internal revenue service (IRS) nor the New Mexico taxation and revenue department guarantees that you be paid the full anticipated amount of a tax refund or tax credit, nor do they guarantee that a tax refund or tax credit will be deposited into your bank account or mailed on a specific date.**

**You are responsible for the full repayment of this refund anticipation loan and for the payment of the total interest, fees, and charges incurred.**

**By signing below, I acknowledge that I have read and understand all required disclosures and have been provided a written copy of these required disclosures.**

\_\_\_\_\_  
**Borrower**

\_\_\_\_\_  
**Date**

**New Mexico Only: This business is licensed and regulated by the New Mexico Regulation and Licensing Department, Financial Institutions Division, P.O. Box 25101, 2550 Cerrillos Road, Santa Fe, New Mexico 87504. To report any unresolved problems or complaints, contact the division by telephone at (505) 476-4885 or visit the website: [www.rld.nm.gov/financial-institutions/](http://www.rld.nm.gov/financial-institutions/).**