

Refund Anticipation Checks (RACs) & Refund Anticipation loans (RALs)

What is a Refund Anticipation Check?

A check that is deposited into a temporary account, or funds put on a prepaid card. Once the IRS deposits the check into that account or onto the card, the taxpayer is charged up to \$32, this doesn't include the cost of tax preparation. RACs are also called Electronic Refund Checks or Deposits (ERCs and ERDs).

What is a Refund Anticipation Loan?

"Instant refunds" that are actually high-interest loans (guaranteed by your tax refund) and must be paid back to the tax preparer. The APR (annual percentage rate, i.e. interest rate) of this type of loan can range from 60% to 700% (the average APR for a car loan is about 5%).

For a \$2,000 refund, you might pay:

- \$75 for RAL fee; \$30 RAC fee
- + \$40 for the e-file fee
- + \$100 for the tax preparation fee
- = A total of \$170 - \$215 in fees

Alternatives to Refund Anticipation Loans and Checks

- Get a checking and/or savings account and have your refund directly deposited in about 10 days (this is the same refund time as a RAC) Don't have an account? Visit bankonwashington.org/northsound
- Do your tax return yourself at icanefile.org or oppco.org.
- Get your taxes prepared for FREE at any of the sites listed here

What is the Earned Income Tax Credit (EITC)?

EITC is a credit for people who have worked in 2013, but don't have a high income. Taxpayers who qualify and claim the credit could pay less, pay nothing, or even get some money back. Therefore, workers keep more of what they earn. You could qualify for EITC even if you don't owe any taxes and are not required to file a federal tax return. However, in order to get the EITC, you must file a return for 2013.

Depending on income and family size, you could get up to \$6,044 by claiming this tax credit!

Watch out for Tax Scams!

These schemes range from promises of large tax refunds to illegal ways of "un-taxing" yourself. Remember these important guidelines:

- You are responsible for what's on your return.
- Anyone who promises you a bigger refund without knowing your tax situation could be misleading you.
- Never sign a tax return without looking it over to make sure it's accurate.
- Beware of preparers who say they can do your return without your W-2.
- Avoid offers to file before January 1st.
- Direct Deposit is the fastest and easiest way to get your tax return, but you need a Credit Union or Bank account.
- Visit www.bankonwashington.org for more information on how to open an account.

FREE Tax Preparation in Whatcom County: A guide to what to look for this tax season.

Don't pay to get your tax refund quickly. Direct deposit to your account is free!

WABC
WHATCOM ASSET BUILDING COALITION



FREE Tax Preparation sites in Whatcom County

BELLINGHAM

Bellingham Public Library

AARP Tax-Aide

210 Central Ave

January 18 - April 15

Closed Jan 20 & Feb 18

Mondays - Thursdays 4:00 pm-7:00 pm

Saturdays 1:00 pm-4:30 pm

No appointment necessary

*Spanish translation is available on
Saturdays and Wednesdays*

Bellingham Senior Activity Center

AARP Tax-Aide

315 Halleck St

February 3-April 14

Mondays and Thursdays

8:30 am -2:00 pm

By appointment only:

733-4030, then press 2, then 2

This brochure was created in coordination
with the following organizations:

WWU VITA • Opportunity Council

AARP Tax-Aide • WECU®

For more information: Call: (360) 746-0321

or visit: www.whatcomabc.org

WABC
WHATCOM ASSET BUILDING COALITION

BELLINGHAM

Western Washington University

Parks Hall, Room 336

VITA

February 3 - April 15

Closed February 17 and March 13 - 31

Saturdays: 10:00 am - 2:00 pm

Sundays: 12:00 pm - 4:00 pm

Mon, Tues, Weds: 4:30 pm - 8:30 pm

Walk-in only

*Free parking in "C" lots Sat/Sun and after 4:30 pm weekdays
only and all day weekends. No other free parking available.

www.ps.wvu.edu/parking/map.html

Whatcom Community College Library

VITA

237 West Kellogg Road

Heiner Library

February 10 - April 14

Closed February 17 and March 30 - April 7

Mondays: 5:00 pm - 8:00 pm

Fridays: 9:00 am - 12:00 pm & 1:30 pm - 3:30 pm

Walk-in only

MAPLE FALLS

Opportunity Council East Whatcom

Regional Resource Center

Free self-assisted tax site

8251 Kendall Road, Maple Falls

March 14

3:00 pm - 8:00 pm

By appointment only: 746-0321

BLAINE

Blaine Senior Center

AARP Tax-Aide • 763 G Street

February 7 – April 11

Fridays: 9 am – 1:00 pm

By appointment only

FERNDALE

Ferndale Public Library

AARP Tax-Aide • 2222 Main St.

February 1 – April 12

Saturdays: 10:00 am – 1:00 pm

By appointment only

Ferndale Senior Center

AARP Tax-Aide • 1998 Cherry St.

February 5 – April 9

Wednesdays: 9:00 am – Noon

By appointment only

LYNDEN

Lynden Library

AARP Tax-Aide • 216 Fourth St.

February 1 - April 12

Mondays: 10:30 am – 1:30 pm

Saturdays: 10:30 am – 2:15 pm

By appointment only

*Services are by appointment only in Blaine,
Ferndale and Lynden. Make an appointment in
person (or send a representative) to get a tax
organizer package.*