

FOR IMMEDIATE RELEASE:

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TAX ALERT: AG Balderas Wants New Mexicans to Receive & Keep their IRS Refunds

Balderas reminds consumers that paid preparers are not allowed to deduct fees from a tax refund

Albuquerque, NM – This morning, Attorney General Hector Balderas is urging New Mexicans to be vigilant this tax season as they begin to prepare and file their federal and state taxes. Since many consumers will use the services of accounting and tax professionals this tax season, the Attorney General reminds consumers to do their homework when choosing and retaining a tax professional or tax preparer. In particular, Attorney General Balderas emphasized that all CPAs offering professional tax services in New Mexico must be licensed by the New Mexico Public Accountancy Board. CPA licenses can be verified by visiting the New Mexico Regulation and Licensing Department website at www.rld.state.nm.us.

“This tax season I am urging New Mexicans to do their homework so they don’t end up losing large portions of their IRS tax refunds,” Attorney General Hector Balderas said. “If you hire someone to prepare your taxes, ask questions because reputable tax preparers will be happy to answer them and will work to get you the refund you are owed.”

A tax preparer offering services to consumers must provide a Preparers Tax Identification Number (PTIN) upon request. Attorney General Balderas advised consumers to make sure that a tax preparer actually signs the consumer’s prepared return; it should never say “self-prepared,” and consumers should never sign a blank return.

Attorney General Balderas also reminds consumers that paid preparers are not allowed to deduct fees from or reduce your refund related to a prepared return. Never allow your refund to be deposited in someone else’s bank account for any reason. If the preparer does not offer IRS direct deposit, but instead offers a “bank product” such as loading the refund onto a debit card or other financial instrument or allows consumers to pay later (with their refund, for example), consumers can end up paying high fees. If the consumer elects IRS check or direct deposit the paid preparer cannot take fees from the refund, but preparers can use third party banks to load fees and the third party banks can charge consumers high fees for the service.

Finally, the Attorney General is warning that a reputable tax professional or preparer should never quote consumers a refund or promise a high refund without carefully reviewing the previous year’s tax return and the current household finances. If it sounds too good to be true, it is.

AG Balderas urges New Mexico consumers to contact his office if they have questions or concerns about this or any issues this tax season at www.nmag.gov.

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