

NEW YORK POST

POLS SET TO SLAP SLEAZY TAX-PREP PERPS

By HEIDI SINGER

February 25, 2007 -- Tired of watching New Yorkers get ripped off at tax time, lawmakers are pushing a "consumer bill of rights," which would force tax-preparation services to disclose the true cost of come-ons like instant refunds.

Every tax preparer would be required to give customers a copy of the bill of rights, which explains that instant refunds are really loans that come with potentially enormous interest rates and often stiff fees. Customers would also receive a written estimate of the total cost of the tax prep service.

"Unscrupulous tax preparers rip off too many hardworking New Yorkers," said City Councilman Eric Gioia (D-Queens), the bill's sponsor. "This law begins to even the playing field."

Abusive tax practices have cost New Yorkers more than \$324 million since 2002, said Chris Keeley of the Neighborhood Economic Development Advocacy Project. "Tax refund loans are part of a growing array of high-cost financial services that target New York's low-income communities and sap them of their wealth," he said.

The measure is expected to pass the City Council Wednesday, said a Gioia spokeswoman.

This document is provided for "fair use" not-for-profit, educational purposes (and other related purposes). If you wish to use this copyrighted material for purposes of your own that go beyond "fair use," you must obtain permission from the copyright owner. Please contact NEDAP at 212-680-5100, or info@nedap.org, if you have questions.