



## Brooklyn residents urged to beware of instant tax return loans

(01/30/07) **BROOKLYN** - Instant money from tax preparers now may affect Brooklyn residents' pockets in the long run, according to consumer groups.

Advocacy groups say businesses, such as H&R Block, saddle low-income Brooklyn taxpayers with high-interest loans passed off as early tax returns. Tax preparers work with banks to set interest rates ranging from 40 to 700 percent for the short-term loans. The Neighborhood Economic Development Advocacy Project says New Yorkers have paid about \$107 million in interest and fees over the past four years for the privilege of getting their tax returns early.

While some say they will wait for their government tax returns, others say they need money now and are willing to pay the price. Tax preparers tell **News 12 Brooklyn** they disclose all fees to customers.

[Watch the video at: [www.news12.com/BK/topstories/article?id=189292#](http://www.news12.com/BK/topstories/article?id=189292#)]

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