

STATE OF NORTH CAROLINA
COUNTY OF WAKE

IN THE GENERAL COURT OF JUSTICE,
SUPERIOR COURT DIVISION

CVS _

FILED 20 APR 58

WAKE COUNTY, C.S.C.

BY _____

STATE OF NORTH CAROLINA ex rel.)
ROY COOPER, Attorney General,)

Plaintiff,)

v.)

INSTANT TAX SERVICE, a North)
Carolina franchise doing business at)
2712 Freedom Drive,)
Charlotte, North Carolina 28208; and)

INSTANT TAX SERVICE, a North)
Carolina franchise doing business at)
1520 West Boulevard, Suite J,)
Charlotte, North Carolina 28208; and)

INSTANT TAX SERVICE, a North)
Carolina franchise doing business at)
316 E. Franklin Boulevard, Suite A,)
Gastonia, North Carolina 28054; and)

EDEN KIDANE, individually and)
in her capacity as owner of)
the above-named defendants,)

Defendants.)

COMPLAINT

I. INTRODUCTION

1. This is an action for preliminary and permanent injunctive relief to restrain the defendants from engaging in illegal business activities which violate the North Carolina Refund Anticipation Loan Act, N.C. Gen. Stat. § 53-245 *et seq.*, from engaging in unfair and deceptive practices in violation of N.C. Gen. Stat. §75-1.1, and to obtain restitution and further relief.

2. The defendants are offering to North Carolina consumers an illegal scheme whereby consumers are induced to take out a small loan against the consumers' expected tax refunds, and are also given the opportunity to apply for a refund anticipation loan ("RAL") within the meaning of N.C. Gen. Stat. § 53-245 *et seq.*, with the result being that the defendants: (a) electronically file many consumers' tax returns without their knowledge and permission; (b) file inaccurate returns; (c) do not disclose and/or misrepresent the fees charged for preparing and filing the tax returns; (d) delay payment of refund checks to consumers; (e) do not disclose and/or misrepresent the fees charged for the refund anticipation loan; (f) misrepresent to consumers that they will be receiving an RAL without actually providing an RAL; (g) misrepresent to consumers that they will be receiving their RAL within 24 to 48 hours and failing to provide the loan within that amount of time; and (h) charge exorbitant fees for the services they do provide. Many consumers report that they have left the defendants' offices thinking they have only applied for and received the small loan advertised, only to find out later that the defendants filed their tax returns. The defendants then release the consumers' refund to them but only after having deducted undisclosed and exorbitant fees.

3. The defendants' activities, which are against public policy, are particularly damaging and exploitative because they prey on, and take advantage of, consumers in poorer areas in and near Charlotte, North Carolina, for whom the exorbitant fees, diminished refund amounts, and untimeliness with respect to payment of tax refund proceeds and RAL's amount to significant financial hardship.

4. The defendants' conduct began to come to light in late January and early February of 2012. At that time, customers of the three defendant Instant Tax Service franchises began

complaining to the Attorney General's office and Better Business Bureau ("BBB") about delayed refund checks, unexpected and undisclosed fees, and filing of returns without the use of W-2 forms. An additional, common complaint is that the defendants have filed tax returns without the knowledge and permission of consumers and that the returns are often inaccurate. To date, twenty-eight complaints have been received by the BBB and the Attorney General's office against the defendants, and defendant Kidane, the owner and operator of the franchises, has disclosed to the BBB that she has received over five hundred complaints from her ITS customers. See Exhibit 1, Affidavit of Maryanne Dailey, and Exhibit 2, Affidavit of Daphne Little.

5. The defendants' conduct is prohibited by the Refund Anticipation Loan Act, N.C. Gen. Stat. § 53-245 *et seq.*, and constitutes unfair and deceptive practices under N.C. Gen. Stat. § 75-1.1. Pursuant to these statutes, the Attorney General has specific authority to obtain injunctive relief and consumer restitution.

II. PARTIES

6. Plaintiff State of North Carolina is acting through its Attorney General, Roy Cooper, pursuant to authority granted by Chapters 53, 75, and 114 of the North Carolina General Statutes.

7. Defendant Eden Kidane ("Kidane"), an individual, resides at 8727 Tamarron Drive, Charlotte, County of Mecklenburg, North Carolina.

8. Kidane is the sole owner and proprietor of three Instant Tax Service ("ITS") franchises operating at the following locations:

(1) 2712 Freedom Drive, Charlotte, North Carolina;

(2) 1520 West Boulevard, Suite J, Charlotte, North Carolina; and

(3) 316 E. Franklin Boulevard, Suite A, Gastonia, North Carolina.

9. Defendant Instant Tax Service (“ITS/Freedom Drive”) is a franchise owned and operated by Kidane, doing business at 2712 Freedom Drive, Charlotte, North Carolina.

10. Defendant Instant Tax Service (“ITS/West Blvd.”) is a franchise owned and operated by Kidane, doing business at 1520 West Boulevard, Suite J, Charlotte, North Carolina.

11. Defendant Instant Tax Service (“ITS/Franklin Blvd.”) is a franchise owned and operated by Kidane, doing business at 316 E. Franklin Boulevard, Suite A, Gastonia, North Carolina.

12. Upon information and belief, the acts complained of below are common to all defendants. For ease of reference, defendants Kidane, ITS/Freedom Drive, ITS/West Blvd., and ITS/Franklin Blvd. are referred to in the factual allegations and claims for relief below in the singular, as “ITS.”

III. FACTUAL ALLEGATIONS

The “Instant Cash Loan.”

13. Beginning in approximately mid-December of 2011, ITS began running radio and television advertisements locally in the Charlotte area. These advertisements offered “holiday” or “Christmas” loans of up to \$1,000.00, called “Instant Cash Loans.” According to the ads, in order to be eligible for, or make application for, such a loan, consumers were required to bring in an employment pay stub.

14. When consumers met with ITS representatives at the above-described locations to inquire about these loans, the consumers, almost without fail, were given loan checks in the amount of either \$50.00 or \$100.00.

15. Some consumers who have visited ITS locations for the sole purpose of obtaining the small loan, and who have then been given a check in the amount of \$50.00 or \$100.00, have left the ITS office with the understanding that the only business transacted has been the application for, and receipt of, the loan, only to discover later that ITS electronically filed their state and federal tax returns without their knowledge and permission. See Exhibit 3, Affidavit of Artessia Freeman; Exhibit 4, Affidavit of Denise Lockhart; and Exhibit 5, Affidavit of Tabatha Jenkins.

16. Consumers who have applied for the Instant Cash Loan recall having completed an application for the loan, yet the application does not authorize ITS (or anyone) to file the applicant's taxes. Exhibit 3, the Affidavit of Artessia Freeman, includes as its Exhibit A a copy of the application for the Instant Cash Loan.

17. ITS used and uses information gleaned from the consumers' pay stubs to prepare the tax returns which it then electronically files. Upon information and belief, in some instances the returns are completed based upon wages as indicated in the pay stubs, without the benefit of W-2 forms. In other instances, ITS uses the pay stubs to download W-2's, which are then used.

ITS' Non-Disclosure and Misrepresentation of Fees

18. ITS customers report that ITS does not post, or at least does not post in any location that is prominent, the fees it charges.

19. When ITS files tax returns without customers' knowledge, the customers, being unaware that their taxes have been filed, are likewise unaware that fees have been/will be charged. Consumers report that, had they been apprised of these fees at the outset, they would have declined to allow ITS to file their taxes.

20. Consumers whose taxes have been filed without their permission report that they have not received a written description of fees charged by ITS until after they have learned that their taxes have been filed. These consumers are provided the written itemization only upon request, and, given that they did not agree to have ITS file their taxes to begin with, have not agreed to the fees indicated in the itemizations.

21. Some ITS consumers have agreed to allow ITS to electronically file their taxes. Consumers who have authorized ITS to do their taxes complain that, at the time they agreed to allow ITS to do their taxes, ITS did not provide any written documentation of the fees it eventually charged.

22. When consumers agree to allow ITS to electronically file their taxes, ITS typically quotes consumers a fee of between \$300.00 and \$400.00. However, despite this unambiguous representation of the fee to be charged, ITS ends up charging actual fees which range between \$700.00 and \$800.00. See Exhibit 6, Affidavit of Tonia Harris, and Exhibit 7, Affidavit of Andrea Clark.

23. When consumers have complained to ITS about the misrepresentation of fees, ITS representatives have denied that the lower fee amount was ever quoted. Alternatively, ITS representatives have acknowledged the original quoted amount but have justified the increased fee on the basis that the bank used by ITS to process refund checks charges its own fees which are deducted from the refund. These bank fees – if, in fact, they are bank fees – are not disclosed to consumers at the time the consumers agree to retain the services of ITS, are not agreed to by consumers, and are only eventually disclosed to consumers if consumers make inquiry about the fees after they have already been charged. See Exhibit 6, Affidavit of Tonia Harris, and Exhibit

7, Affidavit of Andrea Clark.

Exorbitant Fees

24. The returns that ITS prepares and electronically files are often uncomplicated. They are within the same genre of tax returns as those often done by other companies that prepare and electronically file returns for consumers. According to taxes.about.com, an informational website for consumers, the average price per return charged by one national tax preparer, using 2010 data, was \$189.00. For another national preparer, the average was \$208.00 (see Exhibit 8, attached hereto). Even assuming an increase in those amounts for 2011, the fees charged by ITS far exceed the industry standard and are exorbitant.

ITS' Refund Anticipation Loans

25. In addition to its "Instant Cash Loans" loans and its tax preparation and filing activities, ITS offers consumers refund anticipation loans ("RAL's").

26. Consumers report having had detailed discussions with ITS about applying for an RAL, and an informational sheet that ITS provides some customers asks specifically whether the customer wants to apply for a refund anticipation loan. See Exhibit 6, the Tonia Harris Affidavit, and specifically, Exhibit A to that Affidavit, the informational sheet used by ITS.

27. In offering RAL's to North Carolina consumers, ITS has engaged in the following practices:

(A). Promising customers that they would be receiving an RAL without ever providing the RAL.

(B). Representing to customers that they would be charged a certain fee for the RAL and then charging them a significantly greater fee for the RAL.

(C). Promising customers that the RAL would be received within 24 to 48 hours and failing to provide the loan within that amount of time.

ITS' Conduct Generally

28. North Carolina consumers have reported that, as the problems with ITS came to light publicly, and as the consumers themselves have sought answers and explanations from ITS, they have encountered numerous difficulties. Consumers report calling ITS offices many times without the phone being answered; they report rude and vile responses from ITS representatives; they report having to wait hours outside ITS offices; they report delays associated with receiving their tax refunds even when there was no RAL involved; they report trying to cash the check they eventually did receive from ITS only to be told there were insufficient funds to cover the check;

IV. CLAIMS FOR RELIEF

COUNT I: **VIOLATIONS OF THE NORTH CAROLINA** **REFUND ANTICIPATION LOAN ACT:** **N.C. GEN. STAT. § 53-245 et.seq.**

29. The State incorporates herein by reference paragraphs 1 through 28 above.
30. N.C. Gen. Stat. § 53-246 provides, in relevant part, the following definitions:
- (5) Debtor. A person who receives the proceeds of a refund anticipation loan.
 - (6) Facilitator. A person who individually or in conjunction or cooperation with another person processes, receives, or accepts for delivery an application for a refund anticipation loan or a check in payment of refund anticipation loan proceeds or in any other manner facilitates the making of a refund anticipation loan.
 - (8) Refund anticipation loan. A loan that the creditor arranges to be repaid directly from the proceeds of the debtor's income tax refund.
 - (9) Refund anticipation loan fee. The charges, fees, or other consideration

charged or imposed by the creditor or facilitator for the making of a refund anticipation loan. This term does not include any charge, fee, or other consideration usually charged or imposed by the facilitator in the ordinary course of business for nonloan services, such as fees for tax return preparation and fees for electronic filing of tax returns.

31. ITS, through its processing of RAL's for consumers, through its acceptance of applications for RAL's from consumers, and through its facilitation of the making of RAL's for consumers, is a "Facilitator" within the meaning of N.C. Gen. Stat. § 53-246(6).

32. Consumers have received RAL's from ITS within the meaning of N.C. Gen. Stat. § 53-246(8), as evidenced by the fact that ITS, in its informational form, refers to the loans it offers as refund anticipation loans, and by the fact that these loans, upon information and belief, are repaid directly from the proceeds of the debtor's income tax refund.

33. N.C. Gen. Stat. § 53-250 provides in relevant part:

A facilitator of a refund anticipation loan may not engage in any of the following activities:

- (1) Misrepresenting a material factor or condition of a refund anticipation loan.
- (2) Failing to arrange for a refund anticipation loan promptly after the debtor applies for the loan.
- (3) Engaging in any transaction, practice, or course of business that operates a fraud upon any person in connection with a refund anticipation loan.

34. ITS has violated and continues to violate N. C. Gen. Stat. § 53-250(1) by: misrepresenting the fees it charges as a facilitator of RAL's; misrepresenting to consumers that they will be receiving an RAL without actually providing an RAL; misrepresenting to consumers that they will be receiving their RAL within 24 to 48 hours and failing to provide the loan within that amount of time.

35. ITS has violated and continues to violate N.C. Gen. Stat. §53-250(2) by failing to arrange for RAL's for consumers promptly after they make application for the loan.

36. ITS has violated and continues to violate N. C. Gen. Stat. § 53-250(3) by: misrepresenting the fees it charges as a facilitator of RAL's; misrepresenting to consumers that they will be receiving an RAL without actually providing an RAL; misrepresenting to consumers that they will be receiving their RAL within 24 to 48 hours and failing to provide the loan within that amount of time.

37. N.C. Gen. Stat. § 53-251(c) provides:

Civil Penalties. Except in the case of a refund anticipation loan that is not approved by the creditor, a facilitator who fails to deliver to the debtor the proceeds of a refund anticipation loan within 48 hours after the time period promised by the facilitator when the debtor applied for the loan shall pay to the debtor an amount equal to the refund anticipation loan fee. A facilitator who engages in an activity prohibited under G.S. 53-250 in connection with a refund anticipation loan is liable to the debtor for damages of three times the amount of the refund anticipation loan fee or other unauthorized charge plus a reasonable attorney's fee.

38. Pursuant to § 53-251(c), ITS is liable for civil penalties in an amount equal to the the RAL fee charged to its customers for those customers who did not receive their RAL proceeds within 48 hours of the time promised by ITS.

39. Pursuant to § 53-251(c), ITS, as a facilitator in violation of activities prohibited under N.C. Gen. Stat. § 53-250, as alleged in paragraphs 31 through 36 of this Complaint, is liable for civil penalties in an amount equal to three times the amount of the RAL loan fee charged or other unauthorized charge plus a reasonable attorney's fee.

COUNT II
VIOLATIONS OF THE NORTH CAROLINA UNFAIR
AND DECEPTIVE TRADE PRACTICES ACT:

N.C. GEN. STAT. 75-1.1

40. The State incorporates herein by reference paragraphs 1 through 39 above.

41. In the course of soliciting customers for and promoting its tax preparation and filing services, RAL's, and so-called "Instant Cash Loans," and in entering into agreements with North Carolina consumers to provide such purported services and in failing to meaningfully provide such services, ITS has engaged in unfair and deceptive acts and practices in trade or commerce in violation of N.C. Gen. Stat. § 75-1.1.

42. ITS' unfair or deceptive acts and practices include, but are not limited to, the following:

(A). Filing tax returns for consumers without the consumers' knowledge and permission and filing inaccurate tax returns.

(B). Leading consumers to believe that they have merely taken out a small loan from ITS when in fact the application process for "instant" loans is part-and-parcel of a scheme to obtain information from consumers that allows ITS to file returns without consumers' knowledge.

(C). Failing to disclose fees charged for the preparation and filing of tax returns.

(D). Quoting consumers one fee for doing tax returns and then charging consumers fees which are significantly greater than the fee quoted.

(E). Promising customers that they will be receiving an RAL without ever providing the RAL.

(F). Representing to customers that they will be charged a certain fee for the RAL and then charging them a significantly greater fee for the RAL.

(G). Promising customers that the RAL will be received within 24 to 48 hours and failing to provide the loan within that amount of time.

PRAYER FOR RELIEF

WHEREFORE, the State of North Carolina prays the Court for the following relief:

(A). That the defendants, their members, officers, employees, and agents, be temporarily restrained and preliminarily and permanently enjoined from:

- (1) Advertising, offering, soliciting, or entering into contracts with North Carolina consumers for the purpose of providing tax preparation and/or filing services
- (2) Advertising, offering, soliciting, or entering into contracts with North Carolina consumers for the purpose of providing refund anticipation loans or other loans to consumers.
- (3) Engaging in unfair or deceptive trade practices in the offering or conduct of their tax preparation/filing and loan services.
- (4) Disposing of any funds unlawfully collected as fees from North Carolina consumers.

(B). That the defendants be ordered to refund all sums collected from North Carolina consumers resulting from the defendants' violations of the Refund Anticipation Loan Act, N.C. Gen. Stat. § 53- 245 *et. seq.* and the North Carolina Unfair and Deceptive Trade Practices Act, § 75-1.1;

(C). That to preserve assets for the payment of restitution to North Carolina consumers, funds in bank accounts controlled by the defendants be ordered frozen and the

defendants restrained from withdrawing any funds required to pay such restitution without court approval;

(D). That the defendants' existing agreements or contracts with North Carolina consumers be canceled at the discretion of the consumers, pursuant to N.C. Gen. Stat. §§ 75-1.1 and 75-15.1;

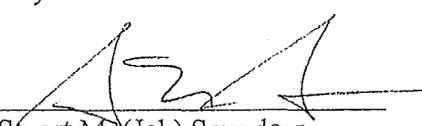
(E). That the defendants be ordered to pay appropriate civil penalties pursuant to N.C. Gen. Stat. §§ 75-15.2 and 53-251;

(F). That the State be awarded costs of this action and reasonable attorneys fees; and

(G). That the Court award such other and further relief as may be just and proper.

Respectfully submitted this 20th day of March, 2012

ROY COOPER
Attorney General



By: Stuart M. (Jeb) Saunders
N.C. Bar No. 19614
Assistant Attorney General
N.C. Department of Justice
Consumer Protection Division
P.O. Box 629
Raleigh, NC 27602
Phone: (919) 716-6000
ssaunders@ncdoj.gov

CERTIFICATE OF SERVICE

I hereby certify that the foregoing Complaint and Motion for Temporary Restraining Order and a Preliminary Injunction were served upon defendants listed below by depositing a copy of such Complaint and Motion for Temporary Restraining Order and a Preliminary Injunction in a repository under the exclusive care and custody of the United States Postal Service designating delivery by certified First Class Mail return receipt requested and addressed as follows:

Eden Kane, owner
Instant Tax Service, a North Carolina franchise doing business at
2712 Freedom Drive
Charlotte, NC 28208

Eden Kane, owner
Instant Tax Service, a North Carolina franchise doing business at
1520 West Boulevard, Suite J
Charlotte, NC 28208

Eden Kane, owner
Instant Tax Service, a North Carolina franchise doing business at
316 E. Franklin Boulevard, Suite A
Gastonia, NC 28054

Eden Kane, individually
827 Tamarron Drive
Charlotte, NC 28277

This the 20th day of March, 2012.



Stuart M. (Jeb) Saunders
N.C. Bar No. 19614
Assistant Attorney General
N.C. Department of Justice
Consumer Protection Division
PO Box 629
Raleigh, NC 27602
Phone: 919-716-6000
ssaunders@ncdoj.gov

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

2012 MAR 10 AM 11:58

WARE COUNTY, C.S.C.

AFFIDAVIT OF MARYANNE DAILEY BY _____

I, Maryanne Dailey, being first duly sworn, state as follows:

1. I am the Senior Vice President of the Charlotte, North Carolina Better Business Bureau ("BBB").

2. Beginning in late January of 2012, the Charlotte BBB began receiving numerous complaints about Instant Tax Service ("ITS"). The consistent theme in these complaints has been that certain ITS offices in the Charlotte area have been engaging in one or more of the following practices with respect to their customers: (a) filing electronic tax returns without the customers' knowledge; (b) charging fees that are not disclosed; (c) charging fees that customers perceive are exorbitant; (d) failing to turn over refunds to customers in a timely fashion; and (e) being insufficiently responsive to the customers who have complained about these practices.

3. It is apparent from these complaints that the practices complained of, as alleged, began in approximately the third week of January, 2012 and have continued.

4. In connection with the BBB's investigation of these complaints and attempts at resolution, I came into contact with Eden Kidane, who identified herself as the owner of three ITS businesses located at these addresses: (1) 1520 West Boulevard, Suite J, Charlotte, North Carolina; (2) 2712 Freedom Drive, Suite A, Charlotte, North Carolina; and (3) 316 E. Franklin Boulevard, Gastonia, North Carolina. Attached as Exhibit A is a business questionnaire which Ms. Kidane filled out for the BBB.

5. On February 14, 2012, Ms. Kidane and I met at the Charlotte, North Carolina BBB office to discuss these complaints. I related to her the issues that ITS clients/customers have



been bringing to the BBB's attention. During our conversation, Ms. Kidane disclosed that thus far in the current tax season she has received over five-hundred complaints from customers of the ITS offices that she owns.

6. In 2012, the Charlotte BBB office has received complaints from thirty-seven ITS customers in the Charlotte area. The majority of these complaints have come from the offices that Ms. Kidane indicates she owns.

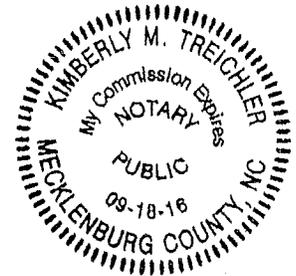
Maryanne Dalley 3-21-12
Maryanne Dalley Date

Sworn to and subscribed before me

This the 21 day of February, 2012

Kimberly M. Treigher
(Notary Public)

My Commission Expires: 09/18/2016





Better Business Bureau - Standard Business Questionnaire -

Please verify that the following information regarding your business is complete and accurate. This form may not contain ALL the information the BBB has on file for your business. Please visit our website to view the complete file and make changes to this information. In the case that you do not have access to the internet, please make your changes directly on this form and return it to BBB. Be aware that the Company Name, Address, Phone, Contact Person(s), Type of Business and Business Start Date affect your BBB Rating.

Please visit: <http://www.charlotte.bbb.org/shq> (UserID:)

Passcode:)

For BBB use only:

BBB File #
Printed
Rating
ROD:

Business Name (Corporate/Legal Name) Eden Kidane dba Instant Tax Service		This form was filled out by (your name):
Other Names Attached to Your Business (Doing-Business-As, Operating Names, etc.)		Date business originally began operations (mm/dd/yyyy)

Main Location 1520 West Blvd ste J	Mailing Address (if different from main address) 8727 Timarron Dr	Other Locations 3163 - E Franklin Blvd 2710 Freedom Dr Ste A
--	---	--

Correspondence with the BBB
We have the ability to correspond with your business by EMAIL, MAIL, or FAX. Which of these methods do you prefer (circle one)?
Your file is currently configured to correspond by **eMail Mail Fax**

In addition to the method of correspondence above, use the following space to indicate which person, address, email address, or fax number we should forward consumer correspondence to. Please include any special instructions as to how you would like your correspondence sent (if any, i.e. all correspondence to one location etc. . .)

Cell phone 703-867-1898
Office phone 704-394-

If your firm qualifies, would you be interested in BBB accreditation? Yes-No-Maybe (Circle one)	Gross annual sales (BBB internal use only) Currently: (0.00 (circle one) (\$1-\$999,999) (\$1M-\$19,999,999) (\$20M-\$99,999,999) (\$100M-\$999,999,999) (\$1B-\$9,999,999,999) (\$10B-\$49,999,999,999) (\$50B+)) Annual # of Customers (BBB internal use only) Currently: 0 (circle one) (1-499) (500-49,999) (50,000-99,999) (100,000-999,999) (1,000,000-9,999,999) (10,000,000-49,999,999) (50,000,000+))
---	---

Telephone Numbers 704 - 394-1040	Fax Numbers	Web Addresses	Email Addresses Eden.Kidane@instanttaxservice.com
--	-------------	---------------	---

Owner/President/CEO (include title) Eden Kidane /owner	Partners/Managers/Other Contact People (include title)
The business is a (circle one). Currently. Is a nonprofit business? Yes/No <input checked="" type="checkbox"/> No	
Corporation Proprietorship Partnership LLC Other:	

Date business was incorporated (mm/dd/yyyy) (if applicable)	Incorporated in the state or province of...	# of employees (including owner)	Date business began operations locally (mm/dd/yyyy)	Date business began operations under current owner (mm/dd/yyyy)
---	---	----------------------------------	---	---

Type of Business Category (yellow page categories) Tax Service / Tax Preparation Services	Please provide trade license numbers, issue dates, expiry dates and issuing agencies (if applicable)
---	--

Briefly describe your business' products/services
Income Tax preparation service

The information you provide to the BBB is used in our general reporting to the public. The information (including email addresses) will NOT be sold or otherwise distributed to any other party. Please provide all the information that applies to your business. This will enable the BBB to provide a more accurate and reliable report to the thousands of consumers who use the BBB as a source for pre-purchase information. We invite you to use our website to review and update your information on a regular basis. If not provided below, please contact the BBB for a user name and password for this site.

<http://www.charlotte.bbb.org/sbq> (UserID:)

Passcode:)



STATE OF NORTH CAROLINA

COUNTY OF WAKE

FILED
2012 MAR 10 11:58
WAKE COUNTY, N.C.
BY _____

AFFIDAVIT OF DAPHNE LITTLE

I, Daphne Little, being first duly sworn, state as follows:

1. I have been employed by the North Carolina Department of Justice since October 1997. I have held the position of Consumer Protection Specialist in the Consumer Protection Division of the Attorney General's Office since March 2010. My routine job responsibilities include maintaining records of a portion of the written consumer complaints filed with the Consumer Protection Division, conducting investigations of these complaints, and, in some instances, attempting to mediate them by corresponding with the businesses and consumers involved in the controversy. I am the custodian of all the records, correspondence, and other documents maintained in our office regarding Instant Tax Service.

2. Beginning in late January of 2012, our office began receiving complaints against Instant Tax Service ("ITS"). To date, we have received six complaints against ITS offices located at 1520 West Boulevard, Suite J, Charlotte, North Carolina, and 316 E. Franklin Boulevard, Gastonia, North Carolina. Most of these consumers state that their initial reason for going to ITS was because of advertisements run by ITS offering "instant cash loans."

3. Among the complaints made by these consumers are allegations that ITS: (1) files tax returns without the consumers' permission; (2) does not provide tax refunds on a timely basis; (3) charges exorbitant fees; (4) does not disclose to consumers the fees eventually charged; and (5) misrepresents the fees charged.

4. In addition to the complaints sent directly to our office by consumers, I have been monitoring complaints forwarded to us by the Better Business Bureau ("BBB") in Charlotte,



North Carolina. To date, our office has received twenty-two complaints forwarded by the BBB pertaining to the same ITS offices described above plus an additional ITS office located at 2712 Freedom Drive, Charlotte, North Carolina.

5. The complaints received from the BBB against these ITS offices are similar to the complaints received directly in our office: Consumers, after visiting the ITS offices in response to advertisements for an instant cash loan, complain that ITS has done one or more of the following: (1) filed tax returns without the consumers' permission; (2) filed inaccurate returns; (3) failed to provide tax refunds on a timely basis; (4) charged exorbitant fees; (5) failed to disclose to consumers the fees eventually charged; and (6) misrepresented the fees charged. An additional allegation from some consumers is that ITS does not disclose and/or misrepresents fees charged in connection with providing refund anticipation loan services to consumers, and does not provide those loans to consumers on a timely basis and within the time frame promised.

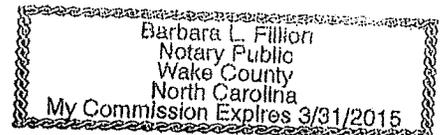
6. Attached to this Affidavit as Exhibit A are representative complaints against ITS which the Attorney General's office received directly from consumers. Exhibit B contains representative complaints against ITS which consumers submitted to the BBB and which the BBB forwarded to our office.

Daphne Little 3-19-12
Daphne Little Date

Sworn to and subscribed before me

This the 19th day of March, 2012

Barbara L. Fillion
(Notary Public)



My Commission Expires: 03/31/2015

Consumer

From: contactus@ncdoj.gov
Sent: Wednesday, February 08, 2012 4:31 PM
To: Consumer
Subject: DOJ Contact Us from Darshall JonesFoucher

DOJContacUsID 16511
Topic* consumer@ncdoj.gov
Subject Line* Instant Tax Service Bad Business Practices
Prefix Ms.
First Name* Darshall
Last Name* JonesFoucher
Address* 4403 Palustris Court
Address 2 7
City* charlotte
State* NC
Zip* 28269
Area Code* 704
Daytime Phone* 606-6459
Email Address* dtaylor2244@yahoo.com

Questions/Comments/Concerns* Instant Tax Service filed my 2011 tax return without my permission using my last may stub of 2011 that I brought into their office in an effort to get an Early Christmas loan that they had advertised on the radio. They filed on 01/17 since then I haven't been able to obtain any information from them on my expected refund amount or the fees they plan to charge. After an investigative report by our local news station, I was able to get a number for the IRS in an effort to find out if I they had received, processed and returned the refund because Instant Tax Services on West Blvd in Charlotte, NC has refused to see clients, having us stand outside for hours only to have the police act as a representatives. There is also a discrepancy with my 2010 tax return where they reported an incorrect amount for my taxable income and I still haven't been to see anyway regarding that issue because of the enormous clients and angered customers always standing outside the facility ready to riot. According to IRS my refund was deposited into their bank account so where my refund is and how much do they plan to take from me for fees on a return that I never gave permission to file? How can they get away with this? Who will work on behalf of the consumer, the paying customer?



Consumer

From: consforms@ncdoj.gov
Sent: Thursday, January 26, 2012 6:52 PM
To: Consumer
Subject: Complaint 20274 Fullins

Your Information

Prefix Ms * First Name Michelle
Middle Initial * Last Name Fullins
* Mailing Address 1710 Stroud park ct # F
* City Charlotte
* State NC * Zip Code 28206
Country, if not US
Day Phone Number (including area code) 704-28-4697
Evening Phone Number (including area code) same
Cell Phone Number (including area code) 704-491-3851
Fax Number (including area code)
County of Residence Meckenlenburg Email Address lovelyhell223@aol.com

Information About Company Against Which You Are Complaining

* Full name of company instant tax service
Address 15200west blvd. suite J
City charlotte
State nc Zip Code 28208
Country, if not US
Company's internet address (URL) eden.kidane@instanttaxservice.com
* Telephone number, including area code 7043941040
Fax number, including area code

Complaint Information (complete any blocks which apply to your complaint)

Product, item, or service involved filing 2012 taxes
Date of purchase, service, contract 1/16/2012 12:00:00 AM

Manufacturer or brand n/a
Model n/a

Account number ss#

Do not submit credit card or bank account numbers through this form. If you need to provide that information as part of your complaint, please mail it to us instead.

Serial number N/a

Did you sign a contract or a lease? No

Start Date End Date

Total amount paid 600.00 Amount in dispute 600.00

How was payment made: Other

Did you buy an extended service contract? No

If yes, name of company responsible for extended service contract or warranty n/a

Information About the Transaction

How was initial contact made between you and the Other

Where did the transaction take place? Other

Details of Complaint

* Details

Limit of 2500 characters

I filed my 2011 taxes with instant tax service. I choose to use there services because I was informed by the staff at this company that I would receive a large (anywhere from- 1,000.00 and up for the anticipated loan.) Well that did not happen. I had already made arrangements with payiny some bills. On January 16, 2012 midnight. This company without my permission decided to submit my returns. I did not get a chance to submit the remaining of my w2's. So I later learned that I will received the remaining of my refund on Jan 25th 2012, that did not happen. Since I have been give the run arounds. About my federal refund. I contacted the IRS whom informed me that my funds was released on Jan 25, 2012. So i gaqve them another day. and still NO! response the manger does not come out and speak with anyone., phones are continiously busy, customers are being told anything. Many people are stand outside waiting only to be told daily to return another day. This is the WORST EVER!!! This company should not be in business at all. And to top it off the reason they submitted so many peoples returns without there permission so that they can charge very high fees. Then once you get the refund there really nothing you can do because the IRS has accepted your returns. In SC the same company was on the news for submitting peoples returns without permission. that aired on Jan 23, 2012 here in

charlotte. I went over to channel 9 news today, jan 26, 2012. but of course I had to leave my phone number, where someone will get back to me. Please contact me(704-208-4697)regarding this issues asap because many people are angry and have no one to turn too. Or you can contact the company maybe they will try to facilate people more efficiently. The Owner Name is: Eden Kidane cell # 703867-1898

Resolution Attempts You Have Made

Have you contacted the company with your complaint? Yes

If yes, name of person most recently contacted

His/her phone number, incl. area code 703867-1898

Results I have not received my returns. Although the irs released my funds.

* What resolution would you consider fair? Getting my refund ASAP!!

Do you have an attorney in this case? No

If yes, name of your attorney

Attorney's number, incl. area code

Has your complaint been heard or is it scheduled to be heard in court? No

If yes, where and when?

If already heard, what was the result?

Will you be submitting documentation by mail or fax? Yes

DBL

Consumer

From: conforms@ncdoj.gov
Sent: Friday, February 03, 2012 4:28 PM
To: Consumer
Subject: Complaint 20442 Warren

Your Information

Prefix Ms * First Name Phyllis
Middle Initial A * Last Name Warren
* Mailing Address 1264 union rd apt B
* City Gastonia
* State NC * Zip Code 28054

Country, if not US

Day Phone Number (including area code) 7046749446

Evening Phone Number (including area code) 7043966111

Cell Phone Number (including area code) 7046749446

Fax Number (including area code)

County of Residence gaston Email Address warrenphill5@hotmail.com

Information About Company Against Which You Are Complaining

* Full name of company instant Tax Services
Address 316 Franklin Blvd
City Gastonia
State NC Zip Code 28052
Country, if not US
Company's internet address (URL) www.instanttax.com
* Telephone number, including area code 704-394-1040
Fax number, including area code

Complaint Information (complete any blocks which apply to your complaint)

Product, item, or service involved Tax preparation

Date of purchase, service, contract 1/17/2012 12:00:00 AM

DBL

Manufacturer or brand

Model

Account number

Do not submit credit card or bank account numbers through this form. If you need to provide that information as part of your complaint, please mail it to us instead.

Serial number

Did you sign a contract or a lease? No

Start Date

End Date

Total amount paid

Amount in dispute

How was payment made: Cash

Did you buy an extended service contract? No

If yes, name of company responsible for extended service contract or warranty

Information About the Transaction

How was initial contact made between you and the company? I went to company's place of business
Where did the transaction take place? At company's place of business

Details of Complaint

* Details

Limit of 2500 characters

I filed my taxes with Instant Tax Services on Jan 13, 2012, they promised my tax refund in 48 hrs. I did not receive my refund until Feb 1, 2012. When I received my check they had substracted \$877 from my refund. I did not receive a RAL refund nor did I borrow money. I feel I was cheated my Instant tax services. I filed a complaint with the company in the Gastonia office, but I have not heard from anyone as of yet. I feel this company needs to be investigated for wrong doings. Many people has been scammed from this company. Instant tax services owes me \$877, because they did not provide me with the service I was promised, plus \$877 is over charging for the service I received.

Resolution Attempts You Have Made

Have you contacted the company with your complaint? Yes

If yes, name of person most recently contacted Cheryl

DBL

His/her phone number, incl. area code 704-612-0569

Results I went into the office, and she says she will contact the corporate office, but I havent heard from her.

* What resolution would you consider fair? To be refunded my \$ 877

Do you have an attorney in this case? No

If yes, name of your attorney

Attorney's number, incl. area code

Has your complaint been heard or is it scheduled to be heard in court? No

If yes, where and when?

If already heard, what was the result?

Will you be submitting documentation by mail or fax? No

COMPLAINT ACTIVITY REPORT Case # 431701

BBB of Southern Piedmont, Inc.

Consumer Info: Duncan, Cynthia
1919 Parkdale Ave
Gastonia, NC 28052-4616
Brandon.duncan25@gmail.com

Business Info: Instant Tax Service
316 E Franklin Blvd Ste A
Gastonia, NC 28054-7105
704 865-4002

Location Involved: (Same as above)

Consumer's Original Complaint :

I was given the wrong amount on my refund.

I filed my taxes with instant tax service and I did not sign any forms to have my taxes filed. Once my taxes were filed without my consent. I was told that I would receive one amount and when I got my check it was 1000 short of the amount I was originally told. When I ask about it being short I was told that it was taxes and fees. I didn't get a receipt of the charges and I was told that some of the extra fees were for a rapid refund that I did not get back as rapid it took 2 weeks to get my refund. I was given the wrong date to get my check multiple times. Also when I called in I was hung up on 3 times.

Consumer's Desired Resolution:

I would like a refund of those fees that I was charged and was not thoroughly explained about. My check was a total of \$1034 short.

BBB Processing

01/31/2012	web	BBB	Case Received by BBB
01/31/2012	SM	BBB	Case Reviewed by BBB
01/31/2012	Otto	EMAIL	Send Acknowledgement to Consumer
01/31/2012	Otto	MAIL	Notify Business of Dispute



COMPLAINT ACTIVITY REPORT Case # 431476

BBB of Southern Piedmont, Inc.

Consumer Info: Warren, Phyllis
1264 Union Rd Apt B
Gastonia, NC 28054-0535
- 704 674-9446
warrenphill5@hotmail.com

Business Info: Instant Tax Service
316 E Franklin Blvd Ste A
Gastonia, NC 28054-7105
704 865-4002

Location Involved: (Same as above)

Consumer's Original Complaint :

I filed my taxes with Instant tax Services on January 13,2012. They assured me that my tax refund check would be available in 48 hrs. It has not. No monies were paid up front. Fees were taken out of the refund check.

Consumer's Desired Resolution:

False advertising. I was told my refund would be ready to pick up in 48. I still haven't received my refund. I also paid extra money for that rapid service, but was told I could not retrieve that fee.

BBB Processing

01/25/2012	web	BBB	Case Received by BBB
01/25/2012	web	BBB	Forward to Another BBB - OTTO
01/25/2012	Otto	EMAIL	Inform Consumer Case Transferred to Another BBB
01/25/2012	Otto	EMAIL	Inform other BBB Case Transferred
01/25/2012	Otto	BBB	Case Closed as TRANSFERRED to another BBB
01/26/2012	SM	BBB	ReOpen the Complaint
01/26/2012	SM	BBB	Case Reviewed by BBB
01/26/2012	Otto	EMAIL	Send Acknowledgement to Consumer
01/26/2012	Otto	MAIL	Notify Business of Dispute
02/10/2012	Otto	BBB	No response to first notice to business
02/10/2012	Otto	BBB	Consumer - Have You Heard From the Company
02/10/2012	Otto	MAIL	Reminder of Dispute to Business

COMPLAINT ACTIVITY REPORT Case # 431608**BBB of Southern Piedmont, Inc.**

Consumer Info: Goldston, Shantay
7116 Indian Ridge Ln
Charlotte, NC 28214-5002
- 704 241-0763
shantaygoldston@gmail.com

Business Info: Instant Tax Service
2712 Freedom Dr
Charlotte, NC 28208-3854
704 394-1040

Location Involved: (Same as above)

Consumer's Original Complaint :

This is not a legitimate business. This business is a scam involving customer's taxes and money. I filed my taxes with them on January 21, 2012 and was told my federal refund of 7,013 would be available as soon as the IRS accepts my return. I had applied for RAL but was told that I couldn't enter my bank account information because it was too late but I would receive my return 12 to 24 hours after the IRS accepts it. I was provided a phone number to call to check the status of my refund check but was told when I called on January 24, 2012 that I never applied for the RAL and that I would need to contact the location to see what the issue was. I attempted to call the Freedom Drive location but was always directed to voicemail that was full never to a representative. Tonight on the news there is a story about Instant Tax Service and the crowd of people that were promised a check but came to a business that was closed.

Consumer's Desired Resolution:

I am seeking my tax refund back.

BBB Processing

01/27/2012	web	BBB	Case Received by BBB
01/30/2012	SM	BBB	Case Reviewed by BBB - Member
01/30/2012	Otto	EMAIL	Send Acknowledgement to Consumer
01/30/2012	Otto	EMAIL	Notify Business of Dispute - Member..

COMPLAINT ACTIVITY REPORT Case # 431621

BBB of Southern Piedmont, Inc.

Consumer Info: Ivey, Shadavia
1106 Marble Street
Charlotte, NC 28208
- 980 233-0501
shadaviaivey@yahoo.com

Business Info: Instant Tax Service
2712 Freedom Dr
Charlotte, NC 28208-3854
704 394-1040

Location Involved: (Same as above)

Consumer's Original Complaint :

I filed my taxes and was told my refund would be here between Jan 18-28. I been callin & theres no check.they have been telling saying check was there I filed my taxes at the begining of Jan and was told that my refund would be there between January 18-28...i have been calling all this week and each time its a different story. The first time I called they said checks just came in and that they would be calling me soon, the next day my refund wad still processing, then the next day It was garaunteed that my check would be here Friday. I called Friday there still was no check. Now that I called today which is sat Jan 28 the man that answered the phone sald they hadn't recieved checks which is the same man that garaunteed It will be here Friday Jan 27. They stated IRS Put a hold on checks which I know is a lie because,I have family members that have gotten there refund back. I would really like to know where my money is. THIS IS MY FIRST AND LAST TIME FILING WITH THIS TAX COMPANY. THEY NEED TO BE SHUT DOWN!!!!!!

Consumer's Desired Resolution:

I want my tax refund.

BBB Processing

01/28/2012	web	BBB	Case Received by BBB
01/30/2012	SM	BBB	Case Reviewed by BBB - Member
01/30/2012	Otto	EMAIL	Send Acknowledgement to Consumer
01/30/2012	Otto	EMAIL	Notify Business of Dispute - Member
02/01/2012	WEB	BBB	RECEIVE BUSINESS RESPONSE : On 1/31 spoke with Ms. Ivey, working to resolve the issue with Ms. Ivey.
Will continue to follow up with Ms. Ivey.			
02/01/2012	SM	EMAIL	Forward Business response to Consumer

COMPLAINT ACTIVITY REPORT Case # 432010

BBB of Southern Piedmont, Inc.

Consumer Info: McCorkle, Shandon
7304 Pebblestone Dr Apt D
Charlotte, NC 28212-0015
Shandonmc23@yahoo.com

Business Info: Instant Tax Service
1520 West Blvd. Suite J
Charlotte, NC 28208-7072
704 394-1040

Location Involved: (Same as above)

Consumer's Original Complaint :

I went to pick up my refund check that from the IRS was suppose to be \$4,000 and when I went there they tried to hand a check for \$1,865. They stated that I had some possible offsets that would affect my refund, but when I called the IRS they said I only had a offset of about \$428 which would not have got my money down to that low amount. I was intially given a fee of about \$365 to do the tax preparation then yesterday they showed me a reciept which they charged me an outlandish sum of \$788 which was crazy. The lady also asked me if I had got an advnced payday loan which I never signed off on, and they filed my taxes before I could turn in the W-2'S which I saw was the issue that has been on the news. Its my fault of not getting the paperwork which they havent provided but I really believe they may have forged my account and set me up for the payday loan which they have been on the news so much for at this point. I've trcked my channels to see I owed any money anywhere else and the only thing I've owed is \$428. I need to find out what happened to almost \$2,300 and how my fee went from \$365 to \$788. I really believe they took my money on a advance loan which I never requested and never recieved. I know the guy that initially did my taxes has been gone from the location since filing my taxes too early without my check stub. I know too when I got my W-2's to take to them for them to do the taxes they told me they had already been filed. I went there to drop a dependent and file myself, but they had already filed so that could put me in a situation later I'm not even sure. I've also having to file an amèndment since they filed me taxes without even having all of my W-2's which poses yeat another problem.

Consumer's Desired Resolution:

I need the rest of my money to show up! It's on file with the IRS that I'm too get 4,000 they told me a fee of \$365 yesterday said it was \$788 that I never signed off on at all because I never would have let them do my taxes at the outlandish fee and with only an offset of \$428 they need to come up with the rest of my money and I need all my tax information in my hand.

BBB Processing

02/08/2012	web	BBB	Case Received by BBB
02/08/2012	SM	BBB	Case Reviewed by BBB - Member
02/08/2012	Otto	EMAIL	Send Acknowledgement to Consumer
02/08/2012	Otto	EMAIL	Notify Business of Dispute - Member

COMPLAINT ACTIVITY REPORT Case # 431786**BBB of Southern Piedmont, Inc.**

Consumer Info: Allen, Michael
5003 Lakecrest Dr
Charlotte, NC 28215-1534
704 905-9319 704 712-9162
mrallen70@yahoo.com

Business Info: Instant Tax Service
1520 West Blvd. Suite J
Charlotte, NC 28208-7072
704 394-1040

Location Involved: (Same as above)

Consumer's Original Complaint :

Instant tax service did my taxes, but refuse to give me any information on my refund. Also keep giving me the wrong info so I can't reach the IRS. I did my taxes with instant taxes on December 17th, 2012. My tax amount was \$8,781 total federal & state. I received a RAL loan for \$1,300 on the 27th and was told to come back later on that day for my paper work. When I came back an hour later, the police was at the door. I waited two hours to be told I couldn't get my paper work! The owner Eden Kidane gave me a card, and told me to call her, and she got my paper work to me. And also the rest of my money \$6,881 could be picked up on Wednesday February 1st... I've called Eden over 10 times only to be hung up on or get no answer! I even tried to text her 10 times with no response. Also I haven't seen any of my \$6,881 she still owes me. Please help me get my taxes money.

Consumer's Desired Resolution:

I would like to receive the money rightfully owed to me \$6,881 plus my state tax amount.

BBB Processing

02/02/2012	web	BBB	Case Received by BBB
02/02/2012	SM	BBB	Case Reviewed by BBB - Member
02/02/2012	Otto	EMAIL	Send Acknowledgement to Consumer
02/02/2012	Otto	EMAIL	Notify Business of Dispute - Member
02/06/2012	WEB	BBB	RECEIVE BUSINESS RESPONSE : Our Resolution Department, will contact customer to address customer's concern and work towards a quick resolution.
02/06/2012	HTC	EMAIL	Forward Business response to Consumer

COMPLAINT ACTIVITY REPORT Case # 431595**BBB of Southern Piedmont, Inc.****Consumer Info:** Moffitt, Stacy
133 New St
Troutman, NC 28166-9698
704 775-5433 704 253-3360**Business Info:** Instant Tax Service
1520 West Blvd, Suite J
Charlotte, NC 28208-7072
704 394-1040**Location Involved:** (Same as above)**Consumer's Original Complaint :**

Have had the run around with this company since the 19th of January.

On the 12th of January, I went to the Instant tax service on W.blvd to get my taxes done. The gentleman who filed my taxes informed me that they would be there on the 19th. I went on the 19th to pick up my refund but it wasn't there and they informed me that it should be there on the 20th. So I went back down on the 20th and there was still no refund. I talked the man that was there and he informed me that the IRS had accepted my taxes but they still had not received a check from there bank but guareented me that it would be no later than the 27th. Will here it is the 27th and i still have not received my refund from them.

Consumer's Desired Resolution:

I had to pay a high price to get my taxes done. Since i have not received it I would like to get my money back.

BBB Processing

01/27/2012	web	BBB	Case Recelved by BBB
01/30/2012	SM	BBB	Case Reviewed by BBB - Member
01/30/2012	Otto	MAIL	Send Acknowledgement to Consumer
01/30/2012	Otto	EMAIL	Notify Business of Dispute - Member
02/01/2012	WEB	BBB	RECEIVE BUSINESS RESPONSE : On 1/31 our Resolution Department spoke with Ms. Moffitt, continuing to work with client on resolving her issue. Will continue to follow up with Ms. Moffitt
02/01/2012	SM	MAIL	Forward Business response to Consumer

COMPLAINT ACTIVITY REPORT Case # 431629

BBB of Southern Piedmont, Inc.

Consumer Info: Mosley, Shakiema
 1935 Lakedell Dr
 Charlotte, NC 28215-2052
 704 281-6150 704 281-6150
 buttaglrz@gmail.com

Business Info: Instant Tax Service
 1520 West Blvd, Suite J
 Charlotte, NC 28208-7072
 704 394-1040

Location Involved: (Same as above)

Consumer's Original Complaint :

I went to get a loan with last check stub and was told that I didn't have to file my return and they filed anyway without my permission. I went to get a holiday loan and they gave me \$50. I used my last check stub. They told me that I didn't have to file my return with them and I could just pay the \$50 back. I went to file my tax return online and it wouldn't let me. I was then informed by the IRS that my return was already filed. I went to instant tax and they had indeed filed my return without my w-2 without my permission. I had specifically asked whether I had to file with them in December and they said no. Then I find out that they charged me \$500 for the fees. The manager said that when I received the \$50 that I was giving them permission to file my return. I was told that I would get my money on 1/27/12 and when I went to get my money they said that they didn't have it. I asked that being that I didn't get my money in the amount of time if they would reduce the fees and they said no. I explained that I had never heard of another company charging \$500 to prepare taxes. I never even paid that amount when I went to H&R Block. They said the fees are a set amount and couldn't be reduced.

Consumer's Desired Resolution:

I would love for them to not have filed my return but at this point I just want my fees refunded because that is too much to charge and I didn't get my money in the time it was supposed to come.

BBB Processing

01/28/2012	web	BBB	..Case Received by BBB
01/30/2012	SM	BBB	Case Reviewed by BBB - Member
01/30/2012	Otto	EMAIL	Send Acknowledgement to Consumer
01/30/2012	Otto	EMAIL	Notify Business of Dispute - Member
02/01/2012	WEB	BBB	RECEIVE BUSINESS RESPONSE : On 1/31 spoke with Ms. Mosley, working to resolve the issue. Will
continue to follow up	with Ms. Mosley.		
02/01/2012	SM	EMAIL	Forward Business response to Consumer

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

FILED
2017 MAR 20 AM 11:58
WAKE COUNTY, N.C.
BY _____

AFFIDAVIT OF ARTESSIA FREEMAN

I, Artessia Freeman, being first duly sworn, state as follows:

1. I am a resident of Charlotte, North Carolina.
2. I am 37 years old and married. I work two jobs. My husband is currently unemployed. I have one dependent child.
3. In December of 2011, I heard on the radio and saw television ads advertising Instant Tax Service ("ITS"). According to the ads, ITS was offering loans of up to \$1,000.00 to customers who came in with a pay stub from their paycheck.
4. I was interested in a loan, so on December 28, 2011 I went to the ITS office located at 2712 Freedom Drive, Charlotte, North Carolina. I sat down with a man who identified himself as "Antez."
5. Antez looked at my pay stub and immediately began typing. He said that he would send my information to the bank to see if the bank would process a loan for me. He never mentioned anything about filing my taxes.
6. Antez then said that ITS could loan me \$100.00. He gave me some paperwork and asked me to sign it. To my knowledge I was signing paperwork for the \$100.00 loan. A copy of the paperwork I signed to apply for the loan is attached as Exhibit A. Antez told me I would need to come back and repay the loan but did not mention a time frame for repayment.



He handed me the paperwork and the check for the \$100.00 and I walked out the door.

7. Several weeks after I obtained my loan from ITS, I saw on the news a story about how people who had gone to ITS were having problems getting their money and there were complications with their taxes. I got worried, so on January 27, 2012, I called the Internal Revenue Service. I learned from the IRS that ITS had filed a federal tax return for me. The IRS told me I should try to get a copy of my return from ITS. I was also told that I should be receiving a federal refund of \$4,129.00, due on February 1, 2012. The IRS suggested I contact the State of North Carolina to see if a State return had been filed. I called the State and was told that yes, a State return had been filed.

8. I went back to the same ITS location and told them what the IRS had told me. I complained that ITS had filed my state and federal tax returns without my permission. I told them I wanted copies of my returns they had filed and that I wanted my refund of \$4,129.00.

9. ITS would not give me copies of my returns. They did give me a copy of my 1040 (which I had never given them!). Then they gave me a check for \$3,230.05. I asked why I wasn't receiving my full refund, and they then gave me a document showing various fees they were deducting from my refund.

10. The difference between my federal refund (\$4,129.00) and what ITS gave me (\$3,230.05) comes to \$898.95. I understand I needed to pay back the \$100.00 loan, so that means ITS charged me \$798.95. I assume they charged me this for doing my taxes, or possibly for processing my loan.

11. I have done my own tax returns in the past. They are pretty simple to do. If ITS

had asked me if I wanted them to do my taxes, the first thing I would have done would have been to ask about their fees. If they had quoted me a fee of \$798.95 I would have said no way, I will do my taxes on my own.

12. ITS never told me they were filing my tax returns. I never gave them permission to file my tax returns. The only reason for my initial visit there was to see if I qualified for the loan they had advertised, and when I left ITS that day I thought that the only thing that had happened was that I had taken out a loan for \$100.00.

13. When I met with Antez that first time on December 28, 2011, I was not told anything, or given anything in writing, that described the fees I was eventually charged. If ITS had told me they were charging me \$798.95 to loan me the \$100.00 I would have declined their services. If they had told me they were charging me \$798.95 to do my taxes I would have declined their services. If they had told me they were charging me \$798.95 both to loan me the \$100.00 and to do my taxes I would have declined their services.

14. I believe I have been scammed by ITS because they filed my tax returns without my permission and charged me exorbitant fees without telling me about the fees. I contacted the Better Business Bureau ("BBB") to complain, and I assume it was because of my complaint to the BBB that someone from ITS contacted me (on February 5, 2012) to see if my complaint could be resolved. The person from ITS told me I could either register a complaint with them or not register a complaint, in which case ITS would pay me \$50.00. I told them I would prefer to register a complaint. ITS said they would get back to me within 7 to 10 days. I got another call

from ITS on February 13, 2012 offering me an additional \$50.00 to withdraw my complaint.

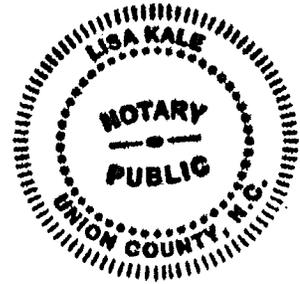
Artessia Freeman 03-09-2012
Artessia Freeman Date

State of North Carolina
County of Mecklenburg

Sworn to and subscribed before me

This the 9 day of March, 2012

[Signature]
(Notary Public)



My Commission Expires: 7/29/2014



INSTANT CASH LOAN—APPLICATION/AGREEMENT
Lender- TAX TREE, LLC ("Tax Tree")

1. TAXPAYER(S) INFORMATION

(The information below must be completed for all Taxpayers requesting an Instant Cash Loan):

Taxpayer Name: ARTESSIA FREEMAN Spouse Name (if joint tax return): _____

SS#: [REDACTED] Spouse SS#: _____

Date of Birth: 07/26/1974 Date of Birth: _____

Taxpayer Address:

3142 MATHIS DR

CHARLOTTE NC 28208

Form of Taxpayer ID Provided (e.g., driver's license or other government ID): Drivers License

Taxpayer Provided: 2011 Paystub(s):
Y (Y/N)

Did Taxpayer obtain a funded RAL or RT in connection with tax refund?

Taxpayer Estimated 2011 Tax Refund:

2010 N (Y/N) 2009 N (Y/N) 2008 N (Y/N)

4,129.00
\$3600 NO US\$

If yes, what lenders/depository institutions provided RAL or

Taxpayer 2011 Annual Income?

2. INSTANT CASH LOAN

I, ARTESSIA FREEMAN ("Taxpayer") request the maximum Instant Cash Loan ("ICL") amount (not to exceed \$1,000) for which I qualify and I understand that the Lender will rely on the information provided above to make a decision regarding my eligibility to receive an Instant Cash Loan. I certify that such information is true, correct, and complete and I hereby authorize Lender and/or its designated service provider to verify information in this Application through third parties and authorize any third party that can verify information in this Application to do so at the request of Lender.

3. DISBURSEMENT METHOD - Upon approval by Tax Tree, your ICL funds will be disbursed by a check printed at the Instant Tax Service office where your Loan Application was submitted. Receipt of this check could take between 3-5 business days.

4. PARTIES - The terms "you" and "your" refer to the person signing below as the "Taxpayer" (or if a joint tax return is being filed, both "Taxpayers"). The terms "Tax Tree", "we", and "our" refer to Tax Tree LLC, a limited liability company organized under the laws of South Dakota and having its principal office at 1111 Brickell Ave., Miami, Florida 33131. You agree and acknowledge that neither your Tax Preparer nor the Transmitter is acting as your agent or is under any fiduciary duty to you regarding this Application or your ICL. Among other things, you agree and consent to the receipt by your Tax Preparer and/or the Transmitter of fees as set forth in this agreement.



5. LOAN AGREEMENT- You are not obligated under this Loan Application/Agreement unless and until Tax Tree offers to lend you money and you accept this offer. If you indicate your interest in applying for an ICL, subject to approval, Tax Tree will offer to lend you money by issuing a check to you. Borrower may, at any time and without penalty, prepay all or any portion of the outstanding principal balance.

Tax Tree may report information about your account to credit bureaus. Tax Tree is not affiliated with the Tax Preparer and does not warrant the accuracy of your tax return. By signing this Loan Application/Agreement, you authorize Tax Tree to verify any personal information of yours provided to Tax Tree by your Tax Preparer and to rely on this information in making a decision to extend you a Loan. This Agreement shall in no way obligate Lender to provide you with an ICL. If your Loan Application/Agreement is denied or if you decline to accept your loan proceeds for any reason, Lender will provide you with an adverse action letter informing you of the denial of your loan application. For any further inquiries pertaining to the loan application approval/denial process contact the customer service department at 1-888-538-1040.

6. ICL ELIGIBILITY REQUIREMENTS - To be eligible for an ICL, you must be at least 18 years of age and you must provide your tax preparer with your most recent pay stub. You may not apply for a loan that is greater than the amount of your anticipated Federal tax refund. You may not apply for a loan on behalf of any party that is deceased.

7. COLLECTION OF OUTSTANDING ICL DEBT- If you owe money to Tax Tree, LLC, ITS Financial, LLC, TCA Capital, LLC, or any of their affiliates for Loan(s), tax preparation services received in a prior year, and/or other related charges, Tax Tree may decline your Application. In the event your application is subsequently approved, you hereby authorize Tax Tree to use this signed agreement as authorization to deduct the amount of the Prior Debt from your loan proceeds, and pay the Prior Debt on your behalf prior to disbursing the remainder, if any, (after fees and costs) to you. If you have an outstanding Loan with Lender and/or any of its affiliates, and do not want some, or all of your tax refund to be used to repay the outstanding debt, do not apply for an Instant Cash Loan.

8. DISCLOSURE OF INFORMATION - You acknowledge that, pursuant to a separate written agreement, you have authorized your tax preparer to disclose all of your tax return information to Tax Tree. You hereby also authorize Tax Tree, your tax preparer, and the transmitter to disclose to each other (a) your tax return information and other information related to the evaluation and processing of this Application; (b) information related to your ICL and/or Tax Account; and (c) any information related to the collection of prior ICLs owed to Tax Tree, ITS Financial, LLC, and/or TCA Capital, LLC. Any disclosures that Tax Tree is required to provide to you have been given to your tax preparer to forward to you. You authorize Tax Tree to disclose information regarding your Application/Agreement (including tax information), Tax Account, and/or ICL to other lenders for product eligibility purposes. Tax Tree may inquire of the IRS (and the State, if applicable) as to the status of your tax refund(s) and may receive from or supply to the IRS (and State, if applicable) information to expedite the issuance of your refund(s). Your tax information will be screened for indicators of potential fraud or abuse and such information/indicators will be forwarded to the IRS.

9. MISCELLANEOUS - The provisions in this Agreement survive the approval of this Agreement and the disbursement of any loan proceeds to you. To the extent permissible by applicable law, you agree to pay any costs of collection, including reasonable attorneys' fees, if any amount due hereunder is not paid when due.

10. ARBITRATION- READ THIS ARBITRATION PROVISION CAREFULLY, IT PROVIDES THAT ANY DISPUTE WILL BE RESOLVED BY BINDING ARBITRATION. THIS ARBITRATION PROVISION DESCRIBES WHEN AND HOW ANY DISPUTE BETWEEN YOU AND US MAY BE RESOLVED.

Arbitration is a process in which persons with a dispute: (i) waive their rights to file a lawsuit and proceed in court and to have a jury trial to resolve their disputes; and (ii) agree, instead, to submit their disputes to a neutral third person (an arbitrator) for a decision. Each party to the dispute has an opportunity to present some evidence to the arbitrator. Pre-arbitration discovery may be limited. Arbitration proceedings are private and less formal than court trials. The arbitrator will issue a final and binding decision resolving the dispute, which may be enforced as a court judgment. A court rarely overturns an arbitrator's decision. The words "Dispute" and "Claim" are given the broadest possible meaning permissible at law and include, without limitation (i) all claims, disputes, or controversies arising from or relating directly or indirectly to the signing of this arbitration provision, the validity and scope of this arbitration provision; (ii) all federal or state law claims, disputes, or controversies arising from or relating directly or indirectly to the Application, this Agreement, or any other prior agreement or agreements between you and Tax Tree. Any claim, dispute, or controversy by either you or Tax Tree against the other, or against the employees, agents, parents, subsidiaries, affiliates, beneficiaries, agents or any signs of the other, arising from or relating in any way to this Application/Agreement or our relationship ("Claim"), including claims regarding the applicability or validity of this arbitration clause, shall be resolved exclusively and finally by binding arbitration.

All Claims are subject to arbitration, no matter what theory they are based on or what remedy they seek. This includes Claims based on contract, tort (including intentional tort), fraud, negligence, statutory or regulatory provisions, agency, or any other sources of law Claims made and remedies sought as part of a class action, private attorney general, or other representative actions are subject to arbitration on an individual basis.

The party bringing the Claim must submit a request for arbitration to the American Arbitration Association, 1633 Broadway, 10th Floor, New York, NY 10019, www.adr.org. However, the parties may choose another company or entity selected by mutual agreement of the parties. The arbitration organization or entity will apply its code of procedures in effect at the time the arbitration is filed, subject to this Application/Agreement. The arbitration will be conducted before a single arbitrator and will be limited solely to the Claim between you and us. The arbitration, or any portion of it, will not be consolidated with any other arbitration and will not be conducted on a class action or representative basis. All parties, including related third parties, shall retain the right to seek adjudication in a small claims court for disputes within the scope of such court's jurisdiction. Any dispute which cannot be adjudicated within the jurisdiction of a small claims court shall be resolved by binding arbitration. Any appeal of a judgment from a small claims tribunal shall be resolved by binding arbitration de novo.

If you or we elect to arbitrate a claim: (1) neither you nor we may participate in a class action in court or in a class-wide arbitration, either as a Plaintiff, Defendant, or Class Member; (2) neither you nor we may act as a private attorney general in court or in an arbitration; (3) claims brought by or against you may not be joined or consolidated with claims brought by or against any other person; and (4) the arbitrator shall have no authority to conduct a classwide arbitration, private attorney general arbitration, or multiple-party arbitration. If any portion of this Arbitration Provision is deemed invalid or unenforceable, such a finding shall not invalidate any remaining portion of this Arbitration Provision, this Agreement, or any other agreement entered into by you with Tax Tree.

11. GOVERNING LAW - This Application/Agreement shall be governed in accordance with all applicable Federal laws and the laws of the State of Ohio, except that the Arbitration section shall be governed solely by Federal Law.

12. TRANSMITTAL OF APPLICATION - Once you have signed this Application, your tax preparer will electronically submit your application to Tax Tree for review and determination of eligibility.

CERTIFICATION By signing this Application/Agreement, I hereby certify that I do not owe any tax, am not subject to any tax liens from prior tax years, have not previously filed a Federal (or State, if applicable) Income Tax Return for the tax year 2011, do not currently have a payment plan set up with the IRS, do not owe any delinquent child support and/or alimony payments, and do not owe any delinquent student loans, VA loans or other Federally guaranteed loans. I have not missed filing a return in the last two (2) years. I do not have a petition currently filed (voluntary or involuntary) nor do I anticipate filing, under any State or Federal Bankruptcy laws, and I do not currently have a payment plan set up with any bankruptcy court. I did not have any amount of my 2010 refund applied to my 2011 refund, I have not had a Loan with Tax Free, or any other Lender which has been discharged in bankruptcy.

Taxpayer Signature

12/28/2011

Date

Spouse Signature

(For a joint tax return, both taxpayers must sign this Application/Agreement.)

12/28/2011

Date

Tax Preparer Signature

12/28/2011

Date

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

2012 MAR 20 AM 11:58
WAKE COUNTY, C.S.C.

AFFIDAVIT OF DENISE LOCKHART

BY _____

I, Denise Lockhart, being first duly sworn, state as follows:

1. I am a resident of Charlotte, North Carolina.
2. I am 54 years old, single, and retired. I have two daughters.
3. In January of 2012, I saw a television advertisement for Instant Tax Service ("ITS"). The ad stated that ITS was offering advanced tax refund loans of up to \$1,000.00, and that to apply for the loan you needed to bring in a paystub.
4. On January 4, 2012, I went to the ITS location at 1520 West Boulevard, Suite J, in Charlotte, North Carolina. I went there because I was interested in applying for the loan advance, but also because I wanted to discuss a particular tax question concerning my daughter. I had only recently moved to North Carolina, and my daughter did not move with me, and I wanted to know whether I could or should claim her as a dependent. My daughter was claiming residency in another state, and I also wanted to know how her residency would be affected if I claimed her as a dependent.
5. At ITS I spoke with someone named Trudy. I had arrived with paystubs from my pension and from my last three months of employment before I retired. Trudy stated that the pension information was irrelevant because it wasn't wages, which did not make sense to me. In any event, she entered my information into the computer and told me my estimated tax refund would be \$2,300.00 and that the bank would loan me \$50.00. I asked her why the loan amount was so little, and she explained that the money was not really a loan, that it was free money and



was basically an incentive to generate new clients. I accepted the \$50.00 and left. We did not discuss the issues concerning my daughter.

6. On January 14, 2012, I received a call from someone at ITS to schedule an appointment to have my taxes filed. I told this person that I had not yet received my W-2 forms and therefore could not yet file my taxes.

7. On January 24th or 25th, I called the IRS to discuss the same issues concerning my daughter's dependency status. During this conversation, the IRS told me that ITS had already filed my taxes, that they had done so on January 17, and that my refund amount, \$3,094.00, would be deposited on January 30th into a bank account set up by ITS.

8. I was stunned that ITS had filed my taxes without my permission. I called ITS many times over the next week to discuss the fact that they had done this, but each time I called the line was busy.

9. On January 31, 2012, I went to the ITS office and was given a refund check in the amount of \$2,333.05. I was shocked by this amount because it meant that ITS was charging me \$760.95 for having done my taxes (or, if ITS was taking back the \$50.00, then their fee was \$710.95). I demanded that ITS provide me documentation of anything I had signed that authorized them to file my taxes. They were unable to give me such a document because indeed I never signed anything giving them such authorization. ITS insisted that before I receive my check I sign a Truth in Lending disclosure. I did sign that disclosure, but the disclosure consisted of four pages and ITS only showed and gave me the fourth page to sign.

10. Because ITS filed my returns without a W-2 (which the IRS told me they should not have done), I will need to file an amendment to correct the amount of income earned. In

addition, ITS incorrectly filed a return with a State of North Carolina (I never worked in North Carolina in 2011), so I will need to correct that error as well.

11. ITS filed my taxes without my permission. ITS charged me fees which they did not disclose and which I certainly did not agree to. ITS made significant errors in both my federal and state filings, and it will cost me money and time to rectify these errors. Of note, the 1040 which ITS filed does not contain my signature. As far as I'm concerned, the \$760.95 is money taken from me and is theft. I would like my money back.

Denise Lockhart 3/8/2012
Denise Lockhart Date

Sworn to and subscribed before me

This the 8 day of March, 2012

Nuria Jacqueline Lazo
(Notary Public)

My Commission Expires: 02-09-16

NURIA JACQUELINE LAZO
NOTARY PUBLIC
MECKLENBURG COUNTY
NORTH CAROLINA
MY COMMISSION EXPIRES FEB. 09, 2016

STATE OF NORTH CAROLINA
COUNTY OF GASTON

2012 MAR 20 10:11:58
WAKE COUNTY, C.S.C.

BY _____

AFFIDAVIT OF TABATHA JENKINS

I, Tabatha Jenkins, being first duly sworn, state as follows:

1. I am a resident of Belmont, North Carolina.
2. I am 28 years old and married, with three dependent children. I am employed.
3. In late December of 2011 or early January of 2012, my husband saw a commercial on television advertising Instant Tax Service ("ITS"). As he described the commercial to me, ITS was offering up to \$1,000.00 to customers as a loan against the customer's tax refund. The commercial stated that in order to apply for the loan you needed to bring in an employment pay stub.
4. My husband and I were interested in applying for the loan, so in early January we went to the ITS office located at 316 E. Franklin Blvd., Suite A, Gastonia, North Carolina.
5. We sat down with an ITS representative and showed the representative my pay stub. We also filled out an informational form that asked for our names, names of our dependents, Social Security numbers, etc.. I have gone to other tax preparers in the past, such as Jackson Hewitt, and I recognized this form as the same kind of informational form I filled out in the past that allowed the tax preparers to have the information necessary to prepare a return.
6. The ITS representative did some typing and then called over to the manager. The manager looked at my pay stub and said, "You don't make enough money to qualify for the loan. Have you worked anywhere else?" I told him yes, I had worked somewhere else, and he told me



I should go home and get a pay stub from that employment and bring it back. My husband and I told him no, we weren't interested, that it was too much trouble. We then left the ITS office.

7. Several weeks later we went to Jackson Hewitt to have them prepare and electronically file our taxes. We gave Jackson Hewitt the necessary information and left. A short while later we received a phone call from Jackson Hewitt telling us that the IRS had denied our return because our Social Security numbers were on another tax return.

8. We were mystified by this, but we soon realized what had happened because a short while later we received a phone call from ITS telling us that the tax return ITS had filed for us had been processed and that a check was waiting for us. The ITS representative told us that the check was for approximately \$506.00 (I do not recall the exact amount, but I know it was for \$506.00 and some change). I asked the person who called how much our actual refund was and she said it was \$1,080.00. This means that ITS had charged us \$574.00 to do our return.

9. My husband and I never gave ITS permission to file our tax return. Indeed, when we left the ITS office we knew we were going elsewhere to have our taxes done, and we made it clear to the manager that we would not be engaging the services of ITS. The fact that ITS filed our taxes without our permission came as a shock to us, and it was equally a shock that ITS had charged us \$574.00 to do something we absolutely did not ask for or want them to do.

10. We went back to Jackson Hewitt, and, on February 15, 2012, Jackson Hewitt filed another return for us. They assisted us in filling out a fraud form explaining what ITS had done and asking the IRS to accept the new return as the correct return. We were not able to do this electronically. The return was filed as a paper return.

11. I did not go back to the ITS office to pick up their check. I refuse to do so.

Tabatha Jenkins 3-12-12
Tabatha Jenkins Date

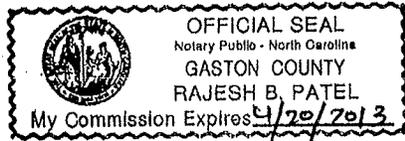
Sworn to and subscribed before me

This the 12th day of MARCH, 2012

Rajesh B. Patel

(Notary Public)

My Commission Expires: April 20, 2013



STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

FILED
2012 JAN 19 10:53
MECKLENBURG COUNTY, N.C.

AFFIDAVIT OF TONIA HARRIS

I, Tonia Harris, being first duly sworn, state as follows:

1. I am a resident of Charlotte, North Carolina.
2. I am 40 years old. I am separated from my husband and have three dependent children. I work and am also a student.
3. In December of 2011, about two weeks before Christmas, I began hearing radio ads from Instant Tax Service ("ITS"). The ads continued after the holidays. As best I can recall, the ads described something called "instant check," whereby ITS would give customers an immediate check. The ads stated that customers would need to bring in an employment pay stub.
4. On January 16, 2012, I went to the ITS office located at 1520 West Boulevard, Suite J, Charlotte, North Carolina. I met with an ITS representative, a woman. I wanted to know whether I was eligible for the "instant check" and I wanted to discuss the possibility of ITS filing my taxes. I also wanted to know about possibly applying for an RAL (refund anticipation loan). I used the term "RAL" in my discussions with the ITS representative because I was familiar with it, having had my taxes done before by Rapid Tax, where a preparer used that term and explained to me what it means.
5. In my conversation with the ITS representative, I asked three questions about fees. First, I asked how much ITS would charge to do my taxes. The woman told me \$300.00. Second, I asked how much the fee would be for the so-called instant check. She told me there would be no additional fee. Third, I asked how much the charge would be for an RAL. She told



me the charge for this would be included in the \$300.00. In other words, the total charge for filing my returns and for the RAL would be \$300.00.

6. At that point I felt like I wanted ITS to do my taxes, and that I wanted to apply for an RAL and I also wanted the instant check. The woman gave me an informational form to fill out called a Customer Data Entry form. The form asked questions about my name, address, names of dependents, Social Security numbers, etc.. I completed the form and gave her my W-2s. I also gave her a voided check for a direct deposit. After I completed the form I asked her again how much the charge was for the RAL. I remember asking her this question twice because I wanted to make sure I understood all the fees that were going to be charged. Again, she told me that the total charge for the RAL and for doing my tax returns would be \$300.00. I asked her to write this down for me. She did so on the Data Entry Form but kept the form. A copy of the form, which I later received from ITS, is attached as Exhibit A.

7. Before I left I asked her how much my net refund would be after ITS deducted its fees. She told me my net would be \$4,460.00. I then reminded her about the instant check and she said, oh, I will give you a check for \$50.00, which she did. I was still interested in what my obligations were and whether there might be some catch to this whole arrangement with ITS, so I asked her what would happen if I changed my mind and decided not to have ITS do my taxes. She told me if I decided to have my taxes done elsewhere she would simply give me back my paperwork. I asked her about repayment of the \$50.00, and she told me that I would have to pay that amount back but that there would be no fee. Finally, I asked her when I should expect to receive my refund and loan. She told me there would be two checks, and that the first check would be available on January 21, 2012 and the second would be available on January 27th or 28th.

8. On January 21, 2012, I called ITS because nothing had been deposited into my account. I called many times after that but was unable to speak with anyone because no one would answer my call.

9. During the week of January 23, 2012 (I do not recall the exact date), I stopped by the ITS office and spoke with a different ITS representative, also a woman. I did so because I had not been able to speak with anyone on the phone and I was getting anxious about my refund. I asked the representative about my refund and told her that, when I had filled out the paperwork on January 16, the first ITS representative had told me my refund was going to be \$4,460.00. I also told her that the first ITS representative had told me my total fees were going to be \$300.00. This second ITS representative told me that the \$4,460.00 figure was just an estimate, that the more likely amount (still an estimate) would be between \$4,000.00 and \$4,100.00, and that the fees were not going to be \$300.00. Rather, she told me the fees would be between \$300.00 and \$600.00, and that, of this amount, between \$200.00 and \$400.00 would be for the RAL. I was very angry to hear this and asked her to write down what she had just said to me. She did so. Exhibit B is a copy of what she wrote down.

10. The next day I stopped by ITS. I spoke with the manager, a man. I asked for a copy of the original informational sheet I had filled out and upon which the first ITS representative had written down the fee amount of \$300.00. The manager gave me a copy -- Exhibit A -- however, the \$300.00 had a line drawn through it. I complained to the manager about the fact that the fees were apparently going to be much more than I had been told. He said that the best he could do was to knock \$50.00 off the fees. I told him this was unacceptable, and with that I was allowed to speak with the owner, who identified herself as Eden Kidane. Ms. Kidane looked at the informational form and acknowledged that it said \$300.00 (even though the

number was difficult to read because someone had tried to cross it out!), so she agreed that this amount would be my fee. I asked her to put this in writing, which she agreed to do. Her note stating this is attached as Exhibit C.

11. I went to the ITS office again on January 27, 2012. There was a long line around the corner because ITS had been in the news about delayed refunds to customers. As we waited in line, at various times ITS representatives came out and told us that the reason for the delayed payments was because the IRS had delayed its refund payments. When I finally got inside, the ITS representative pulled up the IRS website, which showed that on January 30, 2012 I would be receiving a refund of \$4,662.00. Exhibit D is my federal tax return showing this refund amount.

12. On January 30, 2012, I checked my account. There was no refund deposited, so I called ITS. I was told to check back with them. On February 1, 2012, I went by the ITS office and they told me the refund had been received from the IRS. The ITS representative then handed me a check in the amount of \$3,901.05, representing my net proceeds from ITS.

13. Given that my refund from the IRS was \$4,662.00, and given that my check from ITS was for \$3,901.05, this meant that ITS had charged me \$710.95 (I am taking into account having to pay them back the \$50.00 instant check). I was very angry when I saw the amount of the check, so I asked to speak to Ms. Kidane. This was impossible to do because she was in the midst of arguing with other customers, so I ended up speaking with the same manager I had talked to the week of January 23. I told him about my previous conversation with Ms. Kidane in which she had told me the fee was going to be \$300.00 and indeed had written that down (though I didn't have that piece of paper with me). The manager responded that, in fact, ITS was only charging me \$300.00, but that the additional \$410.05 was for bank fees.

14. I knew I wasn't going to get anywhere with the manager, so I went home to retrieve the piece of paper on which Ms. Kidane had written that I was supposed to be charged \$300.00. I brought that piece of paper back to ITS and then had a discussion with Ms. Kidane. She told me I could fill out a resolution form if I wanted to, to which I answered, "Eden, I don't want to fill out any more forms, you and I already worked this out." She then refused to talk to me and told the police (who were present due to the multitude of angry customers) to escort me out.

15. To this day I do not know whether the check I received from ITS in the amount of \$3,901.05 was an RAL or whether it was simply my refund less fees charged by ITS for doing my taxes. This was not explained to me. I do know that I was quoted a fee of \$300.00, that this fee was confirmed on a later date by Ms. Kidane, and that I ended up paying ITS more than twice that amount. ITS misrepresented its fees to me and treated me very badly. I am particularly disturbed because I was very careful to ask questions about the fees ITS was going to charge me, and because I know I had a correct understanding of their fees, but despite my efforts I still was misled and basically lied to.

Tonia Harris 2/21/12
Tonia Harris Date

Sworn to and subscribed before me

This the 21st day of February, 2012

Jessica S. Craig
(Notary Public)

My Commission Expires: 09-6-2015



CUSTOMER DATA ENTRY



Dependents

	First Name	Last Name (if different)	Social Security No.	son daughter parent grandchild other (describe)	Months (in Home)	Date Of Birth (mm/dd/yyyy)	Disabled? (X if Yes)
1	Jarrett	Harris	[REDACTED]		12	12/26/94	
2	Genai	Harris	[REDACTED]	✓	12	7/14/97	
3							
4							

Check this box if another person could qualify to claim your child as a dependent or receive EIC for that child. Describe below.

This is the information sheet I filled out to start the process.

Qualifying Child Care E

Education Expenses Pa

Please answer the to the best of your

Do you own a home?

Did you pay any child:

Do you have any childn

Are you self-employed?

Do you owe any delinquent:

Child Support?

Alimony?

Student loans?

Back taxes?

The fee she wrote is on the left side under 1,168. This is all her original writing

When do you want your refund? (check box)

There are no out-of-pocket fees with these products. All fees are deducted from the refund loan amount.

10 minutes (ARAL - Advance Refund Anticipation Loan)

You can receive up to \$1,000 of your refund in as little as ten minutes. The remaining amount of the Refund Anticipation Loan will be processed in 12-48 hours from the time the IRS accepts your return, less filing charges and a bank fee.

12 - 48 hours (RAL - Refund Anticipation Loan)

In as little as 12-48 hours from the time your tax return is prepared by us, you will receive a check for the amount of your refund (up to \$7,500), less filing charges and a bank fee.

10 - 14 days (RT - Refund Transfer)

In about 10-14 days from the date your return is accepted electronically by the IRS, you will receive a check for the amount of your refund (up to \$9,999) less filing charges.

The following products require fees paid at the time of service.

Direct Deposit

Your refund will be deposited into your savings or checking account approximately 10-14 days after your return is accepted electronically by the IRS. (We will provide the estimated date).

3-4 weeks (E-file)

Your refund will be mailed to you approximately 3-4 weeks after your return is accepted electronically by the IRS.

Mail a Paper Return

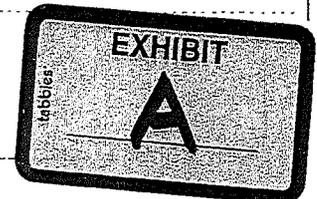
Your refund will be mailed to you approximately 6-8 weeks after you mail your return to the IRS.

Signature

Anna Harris

Date

1/16/12



CUSTOMER DATA ENTRY



02/14/2012 15:19 FAX

Filing Status: Single | Married - Filing Jointly | Married - Filing Separately | Head of Household | Qualifying Widower

Taxpayer

SSN: [REDACTED]

First Name: Tonia Harri Mid Init.

Last Name: Harri Suffix

Birthdate (mm/dd/yyyy): 09/19/1971

Occupation: Patient Advocate

Phone Number Extension

Daytime: (704)-905-8652

Evening: ()- -

Cell Phone: ()- -

Email: tonia835@hotmail.com

Are you:

a dependent of another?	Yes	No	<input checked="" type="checkbox"/>
blind?	Yes	No	<input checked="" type="checkbox"/>
active-duty military?	Yes	No	<input checked="" type="checkbox"/>

Would you like to donate \$3 to the Presidential Election Fund?

Selecting "Yes" Will Not Affect The Outcome of Your Refund

Yes No

Spouse

SSN: - -

First Name: Mid Init.

Last Name: Suffix

Birthdate (mm/dd/yyyy): / /

Occupation:

Phone Number Extension

Daytime: ()- -

Evening: ()- -

Cell Phone: ()- -

Email:

Are you:

a dependent of another?	Yes	No
blind?	Yes	No
active-duty military?	Yes	No

Would you like to donate \$3 to the Presidential Election Fund?

Selecting "Yes" Will Not Affect The Outcome of Your Refund

Yes No

Address: 11801 Antebellum Dr
 City: Charlotte NC
 County: Mecklenburg

Apt. No.:
 State: NC Zip Code: 28273-

Do you have a checking account? Yes No If No, how/where will you cash your check?

How did you hear about us? Radio Mailer TV Referral Coupon Door Hanger Billboard Other

Where did you file your taxes last year? H&R Block Jackson Hewitt Instant Tax Service

004/021

* ICL = 300-600
 * Their friends 200-400
 Get \$10
 INSTANT Tax Service
 Friend brings this card in when they do their taxes!
 NO just for sending your friends!
 Fill in YOUR name + phone below

← Estimate of the fee for ICL and RAL.

This the estimate she gave me when I went to check on my taxes.

* Send 10 friends to get \$100*

YOUR PHONE: 1-888-538-1040

YOUR NAME: (4100-4100)

YOUR PHONE: (4100-4100)

YOUR NAME: Estimate

Signature of Payee: Eden Kidane

*NOT valid with any other offer. See store for details.

Call or see store for details. 1.888.412.1040

4,460
 4,362

← This is the ~~Estimate~~ Amount she gave me the first day on a piece of scrap paper





Home Get Refund Status Refund Help Take Survey Log Out

Refund Status

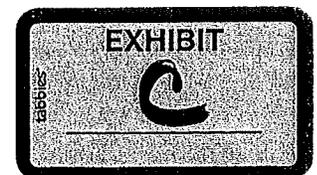
Your Personal Tax Data
 Social Security Number or ITIN Individual Taxpayer Identification Number
 Filing Status: Head of Household
 Tax Period Ends: December 31, 2011
 Your Refund Amount: \$4,562.00
 Deposit Date: January 30, 2012

Refund Status Results
 Your tax refund is scheduled to be direct deposited on January 30, 2012. If your refund is not credited to your account by February 4, 2012, check with your bank to find out if it has been received. Please wait until February 4, 2012 before you contact us again because we are unable to take any action until then.

Print Now
 How Did We Do?
 Log Out

This was written and signed by owner Eden Kidane on the IRS document showing my amount and when to expect my deposit

Eden Kidane
 We chose you of fee
 \$ 300.00
 Total
 A



Form **8879**
Department of the Treasury
Internal Revenue Service

IRS e-file Signature Authorization

▶ Do not send to the IRS. This is not a tax return.
▶ Keep this form for your records. See instructions.

OMB No 1545-0074

2011

Declaration Control Number (DCN) ▶ [REDACTED]

Taxpayer's name
TONTA R HARRIS
Spouse's name

Social security number
[REDACTED]
Spouse's social security number

Part I Tax Return Information--Tax Year Ending December 31, 2011 (Whole Dollars Only)

1	Adjusted gross income (Form 1040, line 38; Form 1040A, line 22; Form 1040EZ, line 4)	25,147
2	Total tax (Form 1040, line 61; Form 1040A, line 35; Form 1040EZ, line 10)	
3	Federal income tax withheld (Form 1040, line 62; Form 1040A, line 38; Form 1040EZ, line 7)	643
4	Refund (Form 1040, line 74a; Form 1040A, line 43a; Form 1040EZ, line 11; Form 1040-SS, Part I, line 12a)	4,662
5	Amount you owe (Form 1040, line 76; Form 1040A, line 45; Form 1040EZ, line 12)	

Part II Taxpayer Declaration and Signature Authorization (Be sure you get and keep a copy of your return)

Under penalties of perjury, I declare that I have examined a copy of my electronic individual income tax return and accompanying schedules and statements for the tax year ending December 31, 2011, and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts in Part I above are the amounts from my electronic income tax return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send my return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an ACH electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of my Federal taxes owed on this return and/or a payment of estimated tax, and the financial institution to debit the entry to this account. I further understand that this authorization may apply to future Federal tax payments that I direct to be debited through the Electronic Federal Tax Payment System (EFTPS). I authorize EFTPS to issue me a personal identification number (PIN) to access EFTPS. This authorization is to remain in full force and effect until I notify the U.S. Treasury Financial Agent to terminate the authorization. To request that my PIN be mailed to me, or to revoke (cancel) a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537. Payment cancellation requests must be received no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I further acknowledge that the personal identification number (PIN) below is my signature for my electronic income tax return and, if applicable, my Electronic Funds Withdrawal Consent.

Taxpayer's PIN: check one box only

I authorize 1000501 ERO firm name to enter or generate my PIN [REDACTED] Enter five numbers, but do not enter all zeros as my signature on my tax year 2011 electronically filed income tax return.

I will enter my PIN as my signature on my tax year 2011 electronically filed income tax return. Check this box only if you are entering your own PIN and your return is filed using the Practitioner PIN method. The ERO must complete Part III below.

Your signature ▶ _____ Date ▶ _____

Spouse's PIN: check one box only

I authorize _____ ERO firm name to enter or generate my PIN _____ Enter five numbers, but do not enter all zeros as my signature on my tax year 2011 electronically filed income tax return.

I will enter my PIN as my signature on my tax year 2011 electronically filed income tax return. Check this box only if you are entering your own PIN and your return is filed using the Practitioner PIN method. The ERO must complete Part III below.

Spouse's signature ▶ _____ Date ▶ _____

Practitioner PIN Method Returns Only--continue below

Part III Certification and Authentication--Practitioner PIN Method Only

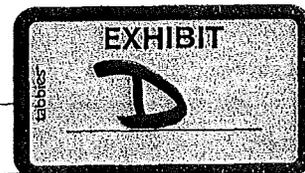
ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN _____

do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature for the tax year 2011 electronically filed income tax return for the taxpayer(s) indicated above. I confirm that I am submitting this return in accordance with the requirements of the Practitioner PIN method and Publication 1345, Handbook for Authorized IRS e-file Providers of Individual Income Tax Returns.

ERO's signature ▶ _____ Date ▶ _____

ERO Must Retain This Form--See Instructions
Do Not Submit This Form to the IRS Unless Requested To Do So



Department of the Treasury--Internal Revenue Service

Form 1040 U.S. Individual Income Tax Return 2011 (99)

IRS Use Only--Do not write or stamp in this space

Name, Address, and SSN

For the year Jan 1-Dec 31, 2011, or other tax year beginning 2011, ending 2011

TONIA R HARRIS

OMB No. 1545-0074

Your social security number

Spouse's social security

See separate instructions

11801 ANTERELLUM DR CHARLOTTE NC 28273-0000 000

Make sure the SSN(s) above and on line 6c are correct. Checking a box below will not change your tax or refund.

Presidential Election

Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. You Spouse

Filing Status

- 1 Single
2 Married filing jointly (even if only one had income)
3 Married filing separately. Enter spouse's SSN above and full name here.
4 X Head of household (with qualifying person).
5 Qualifying widow(er) with dependant child

Exemptions If more than four dependents, see instructions and check here

- 6a X Yourself. If someone can claim you as a dependent, do not check box 6a
b Spouse

Boxes checked on 6a and 6b: 1
No. of children on 6c who: lived with you: 02

c Dependents:

(1) First name: JAKRETT BENAI

Last name: HARRIS HARRIS

(2) Dependent's social security number

(3) Dependent's relationship to you: SON DAUGHTER

(4) if child under age 17 qualifying for child tax credit (see instructions): X

d Total number of exemptions claimed: 03

Income

Table with 22 rows for income items (7-22) and a total income of 25,147.

Adjusted Gross Income

Table with 10 rows for adjusted gross income items (23-37) and a total of 25,147.

SPA For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.

1037 PRT 106011

Form 1040 (2011)

TONTA R HARRIS

Form 1040 (2011)

Page 2

Tax and Credits	38	Amount from line 37 (adjusted gross income)	38	25,147
	39a	Check <input type="checkbox"/> You were born before January 2, 1947, <input type="checkbox"/> Blind. <input type="checkbox"/> Total boxes checked 39a <input type="checkbox"/> ii. <input type="checkbox"/> Spouse was born before Jan. 2, 1947, <input type="checkbox"/> Blind.		
	b	If your spouse itemizes on a separate return or you were a dual-status alien, check here 39b <input type="checkbox"/>		
Standard Deduction for:	40	Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40	8,500
People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions	41	Subtract line 40 from line 38	41	16,647
All others	42	Exemptions. Multiply \$3,700 by the number on line 6d	42	11,100
Single or Married filing separately \$5,800	43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	5,547
Married filing jointly or Qualifying widow(er) \$11,600	44	Tax (see instructions) Check if any from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 987? c <input type="checkbox"/> 982 election	44	553
Head of household \$6,800	45	Alternative minimum tax (see instructions). Attach Form 6251	45	
	46	Add lines 44 and 45	46	553
	47	Foreign tax credit. Attach Form 1116 if required	47	
	48	Credit for child and dependent care expenses. Attach Form 2441	48	
	49	Education credits from Form 8863, line 23	49	236
	50	Retirement savings contributions credit. Attach Form 8880	50	
	51	Child tax credit (see instructions)	51	317
	52	Residential energy credits. Attach Form 5895	52	
	53	Other credits from Form a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	53	
	54	Add lines 47 through 53. These are your total credits	54	553
	55	Subtract line 54 from line 46. If line 54 is more than line 46, enter -0-	55	
Other Taxes	56	Self-employment tax. Attach Schedule SE	56	
	57	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919	57	
	58	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	58	
	59a	Household employment taxes from Schedule H	59a	
	b	First-time homebuyer credit repayment. Attach Form 5405 if required	59b	
	60	Other taxes. Enter code(s) from instructions	60	
	61	Add lines 55 through 60. This is your total tax	61	
Payments	62	Federal income tax withheld from Forms W-2 and 1099	62	643
	63	2011 estimated tax payments and amount applied from 2010 return	63	
	64a	Earned Income credit (EIC)	64a	3,336
	b	Nontaxable combat pay election 64b <input type="checkbox"/>		
	65	Additional child tax credit. Attach Form 8812	65	683
	66	American opportunity credit from Form 8863, line 14	66	
	67	First-time homebuyer credit from Form 5405, line 10	67	
	68	Amount paid with request for extension to file	68	
	69	Excess social security and tier 1 RRTA tax withheld	69	
	70	Credit for federal tax on fuels. Attach Form 4136	70	
	71	Credits from Form: a <input type="checkbox"/> 2439 b <input type="checkbox"/> 8839 c <input type="checkbox"/> 8801 d <input type="checkbox"/> 8885	71	
	72	Add lines 62, 63, 64a, and 65 through 71. These are your total payments	72	4,662
Refund	73	If line 72 is more than line 61, subtract line 61 from line 72. This is the amount you overpaid	73	4,662
	74a	Amount of line 73 you want refunded to you. If Form 8888 is attached, check here <input type="checkbox"/>	74a	4,662
Direct deposit? See instructions	b	Routing number	c	Type: <input checked="" type="checkbox"/> Checking <input type="checkbox"/> Savings
	d	Account number		
	75	Amount of line 73 you want applied to your 2012 estimated tax	75	
Amount You Owe	76	Amount you owe. Subtract line 72 from line 61. For details on how to pay, see instructions	76	
	77	Estimated tax penalty (see instructions)	77	

Third Party Designee Do you want to allow another person to discuss this return with the IRS (see instructions)? Yes. Complete below. No...

Designee's name _____ Phone no. _____ Personal identification number (PIN) _____

Sign Here Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature _____ Date _____ Your occupation **PATIENT ADVICATE** Daytime phone number **704-905-8652**

Spouse's signature _____ Date _____ Spouse's occupation _____

Paid Preparer Use Only

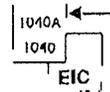
Print/Type preparer's name _____ Preparer's signature _____ Date _____ Check if self-employed PTIN **P00798923**

Firm's name **1000501** Firm's EIN **56-2481040**

Firm's address **1520 WEST BLVD CHARLOTTE NC 28208** Phone no **980-406 3506**

SCHEDULE EIC
(Form 1040A or 1040)

Earned Income Credit
Qualifying Child Information



OMB No 1545-0074
2011
Attachment
Sequence No 43

Department of the Treasury
Internal Revenue Service (98)

Complete and attach to Form 1040A or 1040
only if you have a qualifying child.

Your social security number

Name(s) shown on return

TONIA R HARRIS

[REDACTED]

Before you begin:

- See the instructions for Form 1040A, lines 38a and 38b, or Form 1040, lines 64a and 64b, to make sure that (a) you can take the EIC, and (b) you have a qualifying child.
- Be sure the child's name on line 1 and social security number (SSN) on line 2 agree with the child's social security card. Otherwise, at the time we process your return, we may reduce or disallow your EIC. If the name or SSN on the child's social security card is not correct, call the Social Security Administration at 1-800-772-1213.



- If you take the EIC even though you are not eligible, you may not be allowed to take the credit for up to 10 years. See back of schedule for details.
- It will take us longer to process your return and issue your refund if you do not fill in all lines that apply for each qualifying child.

Qualifying Child Information

Child 1

Child 2

Child 3

	First name	Last name	First name	Last name	First name	Last name
1 Child's name If you have more than three qualifying children, you only have to list three to get the maximum credit.	JARRETT	HARRIS	BENAT	HARRIS		
2 Child's SSN The child must have an SSN as defined in the instructions for Form 1040A, lines 38a and 38b, or Form 1040, lines 64a and 64b, unless the child was born and died in 2011. If your child was born and died in 2011 and did not have an SSN, enter "Died" on this line and attach a copy of the child's birth certificate, death certificate, or hospital medical records.	[REDACTED]		[REDACTED]			
3 Child's year of birth If born after 1992 and the child was younger than you (or your spouse, if filing jointly), skip lines 4a and 4b, go to line 5.	Year <u>1994</u>		Year <u>1997</u>		Year _____	
4a Was the child under age 24 at the end of 2011, a student, and younger than you (or your spouse, if filing jointly)?	<input type="checkbox"/> Yes. <input type="checkbox"/> No.		<input type="checkbox"/> Yes. <input type="checkbox"/> No.		<input type="checkbox"/> Yes. <input type="checkbox"/> No.	
b Was the child permanently and totally disabled during any part of 2011?	<input type="checkbox"/> Yes. <input type="checkbox"/> No. Go to line 5. The child is not a qualifying child.		<input type="checkbox"/> Yes. <input type="checkbox"/> No. Go to line 5. The child is not a qualifying child.		<input type="checkbox"/> Yes. <input type="checkbox"/> No. Go to line 5. The child is not a qualifying child.	
5 Child's relationship to you (for example, son, daughter, grandchild, niece, nephew, foster child, etc.)	SON		DAUGHTER			
6 Number of months child lived with you in the United States during 2011 • If the child lived with you for more than half of 2011 but less than 7 months, enter "7". • If the child was born or died in 2011 and your home was the child's home for the entire time he or she was alive during 2011, enter "12". Do not enter more than 12 months.	<u>12</u> months		<u>12</u> months		_____ months	

SPA For Paperwork Reduction Act Notice, see your tax return instructions.

1037 PFI 10/5/11 Schedule EIC (Form 1040A or 1040) 2011

Form **8812**

Additional Child Tax Credit

1040
1040A
1040NR
8812

OMB No 1545-0074

2011

Department of the Treasury
Internal Revenue Service (99)

Complete and attach to Form 1040, Form 1040A, or Form 1040NR

Attachment
Sequence No. 47

Name(s) shown on return

Your social security number

TONIA R HARRIS

[REDACTED]

Part I All Filers

- 1 1040 filers:** Enter the amount from line 6 of your Child Tax Credit Worksheet (see the instructions for Form 1040, line 51)
- 1040A filers:** Enter the amount from line 6 of your Child Tax Credit Worksheet (see the instructions for Form 1040A, line 33)
- 1040NR filers:** Enter the amount from line 6 of your Child Tax Credit Worksheet (see the instructions for Form 1040NR, line 48).

1 1,000

If you used Pub. 972, enter the amount from line 8 of the Child Tax Credit worksheet in the publication.

- 2** Enter the amount from Form 1040, line 51, Form 1040A, line 33, or Form 1040NR, line 48

2 317

- 3** Subtract line 2 from line 1. If zero, stop; you cannot take this credit

3 683

4a Earned income (see instructions on side 2)

4a 25,147

b Nontaxable combat pay (see instr on side 2)

4b

- 5** Is the amount on line 4a more than \$3,000?

No. Leave line 5 blank and enter -0- on line 6.

Yes. Subtract \$3,000 from the amount on line 4a. Enter the result

5 22,147

- 6** Multiply the amount on line 5 by 15% (.15) and enter the result.

6 3,322

Next. Do you have three or more qualifying children?

No. If line 6 is zero, stop; you cannot take this credit. Otherwise, skip Part II and enter the smaller of line 3 or line 6 on line 13.

Yes. If line 6 is equal to or more than line 3, skip Part II and enter the amount from line 3 on line 13. Otherwise, go to line 7.

Part II Certain Filers Who Have Three or More Qualifying Children

- 7** Withhold social security and Medicare taxes from Form(s) W-2, boxes 4 and 6. If married filing jointly, include your spouse's amounts with yours. If you worked for a railroad, see the instructions on side 2

7

- 8 1040 filers:** Enter the total of the amounts from Form 1040, lines 27 and 57, plus any taxes that you identified using code "UT" and entered on line 60

8

1040A filers: Enter -0-.

1040NR filers: Enter the total of the amounts from Form 1040NR, lines 27 and 5b, plus any taxes that you identified using code "UT" and entered on line 59.

- 9** Add lines 7 and 8

9

- 10 1040 filers:** Enter the total of the amounts from Form 1040, lines 64a and 69

10

1040A filers: Enter the total of the amount from Form 1040A, line 38a, plus any excess social security and tier 1 RRTA taxes withheld that you entered to the left of line 41 (see instructions).

1040NR filers: Enter the amount from Form 1040NR, line 65.

- 11** Subtract line 10 from line 9. If zero or less, enter -0-

11

- 12** Enter the larger of line 6 or line 11

12

Next, enter the smaller of line 3 or line 12 on line 13.

Part III Additional Child Tax Credit

- 13** This is your additional child tax credit

13

683

1040
1040A
1040NR

Enter this amount on Form 1040, line 65, Form 1040A, line 39, or Form 1040NR, line 63.

Form **8863**

Education Credits (American Opportunity and Lifetime Learning Credits)

OMB No 1545-0074

2011

Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions to find out if you are eligible to take the credits.
▶ Attach to Form 1040 or Form 1040A.

Attachment
Sequence No. 50

Name(s) shown on return

TONIA R HARRIS

Your social security number

[REDACTED]

CAUTION

You cannot take both an education credit and the tuition and fees deduction (see Form 8917) for the same student for the same year.

Part I American Opportunity Credit

Caution: You cannot take the American opportunity credit for more than 4 tax years for the same student.

1	(a) Student's name (as shown on page 1 of your tax return) First name Last name	(b) Student's social security number (as shown on page 1 of your tax return)	(c) Qualified expenses (see instructions) Do not enter more than \$4,000 for each student	(d) Subtract \$2,000 from the amount in column (c). If zero or less, enter -0-	(e) Multiply the amount in column (d) by 25% (.25)	(f) If column (d) is zero, enter the amount from column (c). Otherwise add \$2,000 to the amount in column (e).
2	Tentative American opportunity credit. Add the amounts on line 1, column (f). If you are taking the lifetime learning credit for a different student, go to Part II; otherwise, go to Part III					2

Part II Lifetime Learning Credit

Caution: You cannot take the American opportunity credit and the lifetime learning credit for the same student in the same year.

3	(a) Student's name (as shown on page 1 of your tax return) First name Last name	(b) Student's social security number (as shown on page 1 of your tax return)	(c) Qualified expenses (see instructions)
	TONIA HARRIS	[REDACTED]	1,178
4	Add the amounts on line 3, column (c), and enter the total		4 1,178
5	Enter the smaller of line 4 or \$10,000		5 1,178
6	Tentative lifetime learning credit. Multiply line 5 by 20% (.20). If you have an entry on line 2, go to Part III; otherwise go to Part IV		6 236

SPA For Paperwork Reduction Act Notice, see your tax return instructions.

1037 P-1 10SS11

Form 8863 (2011)

TONIA R HARRIS

Form 8863 (2011)

Page 2

Part III Refundable American Opportunity Credit

7	Enter the amount from line 2		7	
8	Enter \$180,000 if married filing jointly; \$90,000 if single, head of household, or qualifying widow(er)	8	90,000	
9	Enter the amount from Form 1040, line 3B, or Form 1040A, line 22. If you are filing Form 2555, 2555-EZ, or 4563, or you are excluding income from Puerto Rico, see Pub. 970 for the amount to enter	9	25,147	
10	Subtract line 9 from line 8. If zero or less, stop; you cannot take any education credit	10	64,853	
11	Enter \$20,000 if married filing jointly; \$10,000 if single, head of household, or qualifying widow(er)	11	10,000	
12	If line 10 is: <ul style="list-style-type: none"> Equal to or more than line 11, enter 1.000 on line 12 Less than line 11, divide line 10 by line 11. Enter the result as a decimal (rounded to at least three places) 			12 1.000
13	Multiply line 7 by line 12. Caution: If you were under age 24 at the end of the year and meet the conditions in the instructions, you cannot take the refundable American opportunity credit. Skip line 14, enter the amount from line 13 on line 15, and check this box <input type="checkbox"/>			13
14	Refundable American opportunity credit. Multiply line 13 by 40% (.40). Enter the amount here and on Form 1040, line 66, or Form 1040A, line 40. Then go to line 15 below			14

Part IV Nonrefundable Education Credits

15	Subtract line 14 from line 13			15
16	Enter the amount from line 6, if any. If you have no entry on line 6, skip lines 17 through 22, and enter the amount from line 15 on line 6 of the Credit Limit Worksheet (see instructions)			16 236
17	Enter \$122,000 if married filing jointly; \$61,000 if single, head of household, or qualifying widow(er)	17	61,000	
18	Enter the amount from Form 1040, line 3B, or Form 1040A, line 22. If you are filing Form 2555, 2555-EZ, or 4563, or you are excluding income from Puerto Rico, see Pub. 970 for the amount to enter	18	25,147	
19	Subtract line 18 from line 17. If zero or less, skip lines 20 and 21, and enter zero on line 22	19	35,853	
20	Enter \$20,000 if married filing jointly; \$10,000 if single, head of household, or qualifying widow(er)	20	10,000	
21	If line 19 is: <ul style="list-style-type: none"> Equal to or more than line 20, enter 1.000 on line 21 and go to line 22 Less than line 20, divide line 19 by line 20. Enter the result as a decimal (rounded to at least three places) 			21 1.000
22	Multiply line 16 by line 21. Enter here and on line 1 of the Credit Limit Worksheet (see instructions)			22 236
23	Nonrefundable education credits. Enter the amount from line 11 of the Credit Limit Worksheet (see instructions) here and on Form 1040, line 49, or Form 1040A, line 31			23 236

SPA

1037 PCI 11/8/11

Form 8863 (2011)

Form **8867**

Paid Preparer's Earned Income Credit Checklist

CMB No. 1546-1629

2011

Attachment
Sequence No. 177

Department of the Treasury
Internal Revenue Service

▶ To be completed by preparer and filed with Form 1040, 1040A, or 1040EZ.

Taxpayer name(s) shown on return

TONIA R HARRIS

Taxpayer's social security number

[REDACTED]

For the definitions of the following terms, see Pub. 596.

- Investment Income
- Qualifying Child
- Earned Income
- Full-time Student

Part I All Taxpayers

1 Enter preparer's name and PTIN as shown on return ▶ BISRAT ABRAHAM P00798923

2 Is the taxpayer's filing status married filing separately? Yes No
 ▶ If you checked "Yes" on line 2, stop; the taxpayer cannot take the EIC. Otherwise, continue.

3 Does the taxpayer (and the taxpayer's spouse if filing jointly) have a social security number (SSN) that allows him or her to work or is valid for EIC purposes? See the instructions before answering Yes No
 ▶ If you checked "No" on line 3, stop; the taxpayer cannot take the EIC. Otherwise, continue.

4 Is the taxpayer filing Form 2555 or Form 2555-EZ (relating to the exclusion of foreign earned income)? Yes No
 ▶ If you checked "Yes" on line 4, stop; the taxpayer cannot take the EIC. Otherwise, continue.

5a Was the taxpayer a nonresident alien for any part of 2011? Yes No
 ▶ If you checked "Yes" on line 5a, go to line 5b. Otherwise, skip line 5b and go to line 6.

b Is the taxpayer's filing status married filing jointly? Yes No
 ▶ If you checked "Yes" on line 5a and "No" on line 5b, stop; the taxpayer cannot take the EIC. Otherwise, continue.

6 Is the taxpayer's investment income more than \$3,150? See Rule 6 in Pub. 596 before answering Yes No
 ▶ If you checked "Yes" on line 6, stop; the taxpayer cannot take the EIC. Otherwise, continue.

7 Could the taxpayer, or the taxpayer's spouse if filing jointly, be a qualifying child of another person for 2011? If the taxpayer's filing status is married filing jointly, check "No." Otherwise, see Rule 10 (Rule 13 if the taxpayer does not have a qualifying child) in Pub. 596 before answering Yes No
 ▶ If you checked "Yes" on line 7, stop; the taxpayer cannot take the EIC. Otherwise, go to Part II or Part III, whichever applies.

TONIA R HARRIS

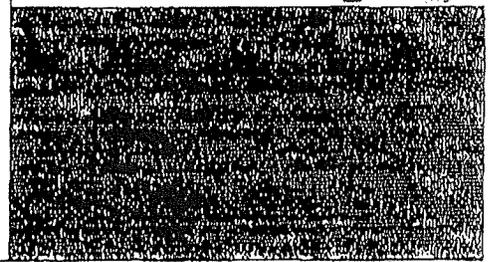
Form 8867 (2011)

Page 2

Part II Taxpayers With a Child

Caution. If there is more than one child, complete lines 8 through 14 for one child before going to the next column

	Child 1	Child 2	Child 3
8 Child's name	JARRETT	BENAI	
9 Is the child the taxpayer's son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, or a descendant of any of them?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
10 Is either of the following true? • The child is unmarried, or • The child is married, can be claimed as the taxpayer's dependent, and is not filing a joint return (or is filing it only as a claim for refund).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
11 Did the child live with the taxpayer in the United States for over half of the year? See the instructions before answering	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
12 Was the child (at the end of 2011) -- • Under age 19 and younger than the taxpayer (or the taxpayer's spouse, if the taxpayer files jointly), • Under age 24, a full-time student, and younger than the taxpayer (or the taxpayer's spouse, if the taxpayer files jointly), or • Any age and permanently and totally disabled? ▶ If you checked "Yes" on lines 9, 10, 11, and 12, the child is the taxpayer's qualifying child; go to line 13a. If you checked "No" on line 9, 10, 11, or 12, the child is not the taxpayer's qualifying child; see the instructions for line 12 on page 4	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
13a Could any other person check "Yes" on lines 9, 10, 11, and 12 for the child? ▶ If you checked "No" on line 13a, go to line 14. Otherwise, go to line 13b.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
b Enter the child's relationship to the other person(s)			
c Under the tiebreaker rules, is the child treated as the taxpayer's qualifying child? See the instructions before answering ▶ If you checked "Yes" on line 13c, go to line 14. If you checked "No," the taxpayer cannot take the EIC based on this child and cannot take the EIC for taxpayers who do not have a qualifying child. If there is more than one child, see the Note at the bottom of this page. If you checked "Don't know," explain to the taxpayer that, under the tiebreaker rules, the taxpayer's EIC and other tax benefits may be disallowed. Then, if the taxpayer wants to take the EIC based on this child, complete lines 14 and 15. If not, and there are no other qualifying children, the taxpayer cannot take the EIC, including the EIC for taxpayers without a qualifying child; do not complete Part III. If there is more than one child, see the Note at the bottom of this page.	<input type="checkbox"/> Yes <input type="checkbox"/> No Don't know	<input type="checkbox"/> Yes <input type="checkbox"/> No Don't know	<input type="checkbox"/> Yes <input type="checkbox"/> No Don't know
14 Does the qualifying child have a SSN that allows him or her to work or is valid for EIC purposes? See the instructions before answering ▶ If you checked "No" on line 14, the taxpayer cannot take the EIC based on this child and cannot take the EIC for taxpayers who do not have a qualifying child. If there is more than one child, see the Note at the bottom of this page. If you checked "Yes" on line 14, continue.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
15 Are the taxpayer's earned income and adjusted gross income each less than the limit that applies to the taxpayer for 2011? See Pub. 598 for the limit ▶ If you checked "No" on line 15, stop; the taxpayer cannot take the EIC. If you checked "Yes" on line 15, the taxpayer can take the EIC. Complete Schedule EIC and attach it to the taxpayer's return. If there are two or three qualifying children with valid SSNs, list them on Schedule EIC in the same order as they are listed here. If the taxpayer's EIC was reduced or disallowed for a year after 1996, see Pub. 596 to see if Form 8862 must be filed. Go to line 20. Note. If you checked "No" on line 13c or 14 but there is more than one child, complete lines 8 through 14 for the other child(ren) (but for no more than three qualifying children). Also do this if you checked "Don't know" on line 13c and the taxpayer is not taking the EIC based on this child			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No



Part III Taxpayers Without a Qualifying Child

- 16 Was the taxpayer's main home, and the main home of the taxpayer's spouse if filing jointly, in the United States for more than half the year? (Military personnel on extended active duty outside the United States are considered to be living in the United States during that duty period. See Pub 596.)
- ▶ If you checked "No" on line 16, stop; the taxpayer cannot take the EIC. Otherwise, continue.
- 17 Was the taxpayer, or the taxpayer's spouse if filing jointly, at least age 25 but under age 65 at the end of 2011?
- ▶ If you checked "No" on line 17, stop; the taxpayer cannot take the EIC. Otherwise, continue.
- 18 Is the taxpayer, or the taxpayer's spouse if filing jointly, eligible to be claimed as a dependent on anyone else's federal income tax return for 2011? If the taxpayer's filing status is married filing jointly, check "No."
- ▶ If you checked "Yes" on line 18, stop; the taxpayer cannot take the EIC. Otherwise, continue.
- 19 Are the taxpayer's earned income and adjusted gross income each less than the limit that applies to the taxpayer for 2011? See Pub 596 for the limit.
- ▶ If you checked "No" on line 19, stop; the taxpayer cannot take the EIC. If you checked "Yes" on line 19, the taxpayer can take the EIC. If the taxpayer's EIC was reduced or disallowed for a year after 1996, see Pub. 596 to find out if Form 8862 must be filed. Go to line 20.

Yes No

Yes No

Yes No

Yes No

Part IV Due Diligence Requirements

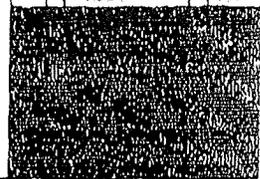
- 20 Did you complete Form 8867 based on current information provided by the taxpayer or reasonably obtained by you?
- 21 Did you complete the EIC worksheet found in the Form 1040, 1040A, or 1040EZ instructions (or your own worksheet that provides the same information as the 1040, 1040A, or 1040EZ worksheet)?
- 22 Did you comply with the knowledge requirements? (To comply with the knowledge requirements, you must not know or have reason to know that any information used to determine the taxpayer's eligibility for, and the amount of, the EIC is incorrect. You may not ignore the implications of information furnished to or known by you, and you must make reasonable inquiries if the information furnished appears to be incorrect, inconsistent, or incomplete. At the time you make these inquiries, you must document in your files the inquiries you made and the responses you received.)
- 23 Did you keep the following records?
- Form 8867 (or your own form or files),
 - The EIC worksheet(s) or your own worksheet(s), and
 - A record of how, when, and from whom the information used to prepare the form and worksheet(s) was obtained.
- ▶ If you checked "Yes" on lines 20, 21, 22, and 23, and keep the records described on line 23 for 3 years (see instructions), you have complied with all the due diligence requirements.
- ▶ If you checked "No" on lines 20, 21, 22, or 23, you have not complied with all the due diligence requirements and may have to pay a \$500 penalty for each failure to comply.

Yes No

Yes No

Yes No

Yes No



D-400 (76) 10-21-11

Individual Income Tax Return 2011

North Carolina Department of Revenue

< Staple All Pages of Your Return and W-2s Here

For calendar year 2011, or fiscal year beginning 11 and ending		NC Public Campaign Fund Select Yes if you want to designate \$3 of taxes to the special fund for voter education materials and for candidates who accept spending limits. Selecting Yes does not change your tax or refund. You <input type="checkbox"/> Yes <input type="checkbox"/> No Your Spouse <input type="checkbox"/> Yes <input type="checkbox"/> No	
TONIA R HARRIS 11801 ANTEBELLUM DR CHARLOTTE NC 28273		Your SSN. [REDACTED] Spouse's SSN.	
Filing Status Year spouse died: <input type="checkbox"/> 1. Single <input type="checkbox"/> 2. Married Filing Jointly <input type="checkbox"/> 3. Married Filing Separately <input checked="" type="checkbox"/> 4. Head of Household <input type="checkbox"/> 5. Widow(er) with Dependent Child	<input type="checkbox"/> Select box if you or your spouse were out of the country on April 15 and a U.S. citizen or resident. <input type="checkbox"/> Select box if return is filed and signed by Executor or Administrator.	Number of Exemptions Claimed: 03 <input type="checkbox"/> Return for deceased taxpayer Date of death: <input type="checkbox"/> Return for deceased spouse Date of death	NC Political Parties Financing Fund Select appropriate box if you want to designate \$3 to this fund. Your tax remains the same whether or not you make a designation. You Your Spouse Democratic <input type="checkbox"/> Democratic Republican <input type="checkbox"/> Republican Libertarian <input type="checkbox"/> Libertarian Unspecified <input type="checkbox"/> Unspecified
<input type="checkbox"/> Select box if this is an Amended 2011 return		Select box if you or your spouse were a nonresident of NC for the entire year Select box if you or your spouse moved into or out of NC during the year	

PS 4 EX 03 PP Y DT N OC N NRT N PYT N PCT N PFT 0
 HARR 1180 28273 DS N EA N NRS N PYS N PCS N PFS 0
 TONIA R HARRIS [REDACTED] AR N
 NC 28273

11801 ANTEBELLUM DR	CHARLOTTE
AGI 25147 20C 0 27 0 39 0	
06 5547 20D 0 28 0 40 0	
07 7100 21 167 30 398 42 0	
09 0 22 0 31 8500 43 0	
15 100 24A 0 32 4400 44 0 48D 0	
17 0 24B 0 34 0 45 0 49 0	
19A 925 24C 0 35 4100 46 0 50 0	
19B 0 24D 0 36 3600 47 0 51 0	
20A 0 EU 37 0 48A 0 52 0	
20B 0 25 0 38 0 48B 0 54 0	
TN 7049058652 PN 9804063506 PP P00798923 48C 0 55 0	

Sign Return Below <input checked="" type="checkbox"/> Refund Due 398	Payment Due 0
I certify that, to the best of my knowledge, this return is accurate and complete. Your Signature _____ Date _____ Spouse's Signature (if filing joint return, both must sign) _____ Date _____ Home Telephone Number (include area code) _____	If prepared by a person other than taxpayer, this certification is based on all information of which the preparer has any knowledge. Paid Preparer's Signature _____ Date _____ P00798923 980-406-3506 Paid Preparer's FEIN, SSN, or PTIN _____ Paid Preparer's Telephone Number _____
If you ARE NOT due a refund, mail return, any payment, and Form D-400V to: NCDOR, P.O. Box 25000, Raleigh, N.C. 27640-0640 If REFUND mail to: NCDOR, P.O. Box R, Raleigh, N.C. 27634-0001	

D-400 2011 Page 2 (76)

Last Name (First 10 Characters) HARRIS

Your Social Security Number

D-400 Line-by-Line Information

AGI		AGI		32	
Federal Adjusted Gross Income		25147		N.C. standard deduction	
6. Taxable Income from Federal Return	6	5547		Single \$3,000;	Head of household \$4,400;
7. Additions to Federal Taxable Income	7	7100		Qualifying widow(er) \$6,000;	Married filing jointly \$6,000;
8. Add Lines 6 and 7	8	13247		Married filing separately	
9. Deductions from Federal Taxable Income	9	0		If your spouse does NOT claim itemized deductions \$3,000;	
10. Line 8 minus Line 9	10	13247		If your spouse claims itemized deductions \$0	
11. Same as Line 10	11	13247		NOTE: If 65 or older or blind or if someone can claim you as a dependent, see worksheet	32. 1400
12. Part-year residents and nonresidents	12	0.0000		33. Subtract Line 32 from Line 31 - Amount cannot be less than zero	33. 4100
13. N.C. Taxable Income	13	13247		34. State, local, and foreign taxes	34. 0
14. N.C. Income Tax	14	794		35. If standard deduction, enter amount from Line 33. If itemizing, enter Line 33 or 34, whichever is less	35. 4100
15. Tax Credits	15	100		36. Personal exemption adjustment	36. 3600
16. Subtract Line 15 from Line 14	16	694		37. Interest income from other states	37. 0
17. Consumer Use Tax	17	0		38. Adjustment for bonus depreciation (See instructions)	38. 0
18. Add Lines 16 and 17	18	694		39. Adjustment for Section 179 expense deduction (See instructions)	39. 0
North Carolina Income Tax Withheld				40. Other federal taxable income additions	40. 0
19a. Your Income Tax Withheld	19a.	925		41. Total additions	41. 7700
19b. Spouse's Income Tax Withheld	19b.	0		Deductions from Federal Taxable Income	
Other Tax Payments				42. State or local income tax refund	42. 0
20a. 2011 Estimated Tax	20a.	0		43. Interest income from obligations of US or US possessions	43. 0
20b. Paid with Extension	20b.	0		44. Social Security and Railroad Retirement Benefits	44. 0
20c. Partnership	20c.	0		45. Bailey settlement retirement benefits	45. 0
20d. S Corporation	20d.	0		46. Other retirement benefits	46. 0
21. North Carolina Earned Income Tax Credit	21	167		47. Severance wages	47. 0
22. Tax Credit for Small Businesses That Pay N.C. Unemployment Insurance	22	0		48. Adjustment for bonus depreciation added back in 2008, 2009 and 2010	
23. Add Lines 19a through 22	23	1092		48a. 2008	48a. 0
24a. Tax Due - If Line 18 is more than Line 23, subtract and enter the result	24a.	0		48b. 2009	48b. 0
24b. Penalties	24b.	0		48c. 2010	48c. 0
24c. Interest	24c.	0		48d. Add Lines 48a, 48b and 48c and enter on 48d	48d. 0
EU Exception to underpayment of estimated tax	EU			49. Adjustment for section 179 expense deduction added back in 2010	49. 0
24d. Interest on the underpayment of estimated income tax	24d.	0		50. Contributions to North Carolina's National College Savings Program (NC 529 Plan) (See instructions)	50. 0
25. Pay this Amount	25.	0		51. Adjustment for absorbed Non-ESB NOL added back in 2003, 2004, 2005, and 2006	51. 0
26. Overpayment - If Line 18 is less than Line 23, subtract and enter the result	26.	398		52. Other federal taxable income deductions	52. 0
Amount of Refund to Apply to:				53. Total deductions	53. 0
27. Amount of Line 26 to be applied to 2012 Estimated Income Tax	27.	0		Part-Year Residents and Nonresidents	
28. N.C. Nongame and Endangered Wildlife Fund	28.	0		54. All income while a part-year NC resident and NC source income while a nonresident	54. 0
29. Add Lines 27 and 28	29.	0		55. Total income from all sources	55. 0
30. Amount to be Refunded	30.	398		56. Divide Line 54 by Line 55	56. 0.0000
Additions to Federal Taxable Income				N.C. Residency Dates for Part-Year Residents	
31. Itemized deductions or standard deduction from your federal return	31	8500		Beginning	Ending
				Taxpayer	
				Spouse.	

D-400TC (76)

10-21-11

Individual Tax Credits 2011

North Carolina Department of Revenue

If you claim a tax credit on Line 15, Line 21, or Line 22 of Form D-400, you must attach this form to the return. If you do not, the tax credit may be disallowed.

Last Name (First 10 Characters)	HARRIS	Your Social Security Number	██████████
---------------------------------	--------	-----------------------------	------------

01	0	16	100	27B	0	31	FM	N	GC	N
02	0	20A	0	28A	0		IID	N	PC	N
04	0	20B	0	28B	0		CT	N	OS	N
06	0	21	0	29A	0		32			0
07A	0	22	0	29B	0		36			0
07B	00	23	0	30A	0		36	478		N
08	0	24	0	30B	0		38	QC		2
09	0	25	0	31	0		38		3336	
10	0	26	0				41A			0
12	0	27A	0				41B			0

<p>Credit for Income Tax Paid to Another State or Country - N.C. Residents Only</p> <p>1 Total income from 1040, Line 22, 1040A, Line 15; 1040EZ, Line 4, while a N.C. resident, adjusted by applicable additions & deductions. Do not adjust any portion of Lines 40 or 52 that does not relate to gross income. 1. 0</p> <p>2. Portion of Line 1 taxed outside N.C. 2. 0</p> <p>3. Divide Line 2 by Line 1 3. 0.0000</p> <p>4. N.C. income tax (From D-400, Line 14) 4. 0</p> <p>5. Computed credit (Multiply Line 3 by Line 4) 5. 0</p> <p>6. Amount of net tax paid outside N.C. from Line 2 (See instructions for definition of net tax paid) 6. 0</p> <p>7a. Enter the lesser of Line 5 or Line 6 7a. 0</p> <p>7b. Number of states that credits are claimed 7b. 00</p> <p>Credit for Child and Dependent Care Expenses</p> <p>8. Enter the expenses from Line 3 of Federal Form 2441 (See instructions) 8. 0</p> <p>9. Portion of Line 8 incurred for qualifying dependent(s) 9. 0</p> <p>10. Credit for Line 9 expenses (Use the Child and Dependent Care Credit Table) 10. 0</p> <p>11. Other qualifying expenses 11. 0</p> <p>12. Credit for Line 11 expenses (Use the Child and Dependent Care Credit Table) 12. 0</p> <p>13. Total credit for child and dependent care expenses. Full-year residents enter the amount here and on Line 15 below 13. 0</p>	<p>14. Part-year residents and nonresidents multiply the amount on Line 13 by the decimal amount from Form D-400, Line 12. If Line 12 is more than 1,0000, enter amount from Line 13 here 14. 0</p> <p>15. Total credit for child and dependent care expenses from Line 13 or Line 14 15. 0</p> <p>Credit for Children under 17 on Last Day of Tax Year</p> <p>Credit may be claimed only if amounts for your filing status do not exceed:</p> <ul style="list-style-type: none"> - Married filing jointly/qualifying widow(er) - \$100,000 - Head of household - \$80,000 - Single - \$60,000 - Married filing separately - \$50,000 <p>16. Multiply the number of children for whom you are entitled to claim the federal child tax credit by \$100 (Full-year residents enter this amount here and on Line 18) and on Line 16) 16. 100</p> <p>17. Part-year residents and nonresidents multiply the amount on Line 16 by the decimal amount from Form D-400, Line 12 and enter the result here and on Line 18 17. 0</p> <p>18. Credit for Children 18. 100</p>
---	--



This page must be filed with Form D-400.

2011 1007 PEI 1NC231

D-400TC 2011 Page 2 (76)Last Name (First 10 Characters) **HARRIS**Your Social Security Number **[REDACTED]****D-400TC Line-by-Line Information****Other Tax Credits**

19	Add Lines 7a, 15, and 18	19.	100
20a	Total charitable contributions	20a.	0
20b	Credit for charitable contributions	20b.	0
21	Credit for long-term care insurance premiums (See instructions)	21.	0
22	Credit for adoption expenses (See instructions)	22.	0
23	Credit for children with disabilities who require special education	23.	0
24	Credit for Qualified Business Investments (You must attach a copy of the tax credit approval letter that you received from the Department of Revenue.)	24	0
25	Credit for the disabled (Complete Form D-429. Enter amount from Line 13 or 14)	25	0
26	Credit for certain real property land donations (See Instructions) Enter expenditures and expenses on Lines 27a, 28a, 29a, and 30a only in the first year the credit is taken	26.	0
27	Credit for rehabilitating an income-producing historic structure (See Instructions)		
27a	Enter qualified rehabilitation expenditures	27a	0
27b	Enter installment amount of credit	27b.	0
28	Credit for rehabilitating a nonincome-producing historic structure (See Instructions)		
28a	Enter rehabilitation expenses	28a.	0
28b	Enter installment amount of credit	28b.	0
29	Credit for rehabilitating an income-producing historic mill facility (See Instructions)		
29a	Enter qualified rehabilitation expenditures	29a.	0
29b	Enter amount of credit	29b.	0
30	Credit for rehabilitating a nonincome-producing historic mill facility (See Instructions)		
30a	Enter rehabilitation expenses	30a.	0
30b	Enter installment amount of credit	30b.	0
31	Other miscellaneous income tax credits	31.	0
	<input type="checkbox"/> Property Taxes on Farm Machinery	<input type="checkbox"/> Gleaned Crops	
	<input type="checkbox"/> Handicapped Dwelling Units	<input type="checkbox"/> Poultry Composting	
	<input type="checkbox"/> Conservation Tillage Equipment	<input type="checkbox"/> Recycling Oyster Shells	
32	Tax credits carried over from previous year. Do not include NC-478 carryovers.	32.	0
33	Total (Add Lines 19, 20b, 21, 22, 23, 24, 25, 26, 27b, 28b, 29b, 30b, 31 and 32)	33.	100
34	Amount of tax (From D-400, Line 14)	34.	794
35	Enter the lesser of Line 33 or Line 34	35.	100
36	Business incentive and energy tax credits (Attach NC 478 forms) Is NC 478 attached?	36	0 N
37	Add Lines 35 and 36	37	100

Earned Income Tax Credit

You are allowed a credit equal to 5% of the Earned Income Tax Credit allowed on your federal return. For part-year residents and nonresidents, the credit must be prorated based on the ratio of income subject to North Carolina tax to total federal income

38	Enter the amount of your federal earned income tax credit.	38.	3336
39	Number of qualifying children	39.	2
39	Multiply Line 38 by 5% (.05) Full-year residents enter this amount here and on Line 21 of Form D-400.	39	167
40	Part year residents and nonresidents multiply the amount on Line 39 by the decimal amount from Form D-400, Line 12 and enter the result here and on Line 21 of Form D-400. If Line 12 of Form D-400 is more than 1.0000, enter the amount from Line 39 here and on Line 21 of Form D-400	40	0

Tax Credit for Small Businesses That Pay N.C. Unemployment Insurance (Not Limited to the amount of tax)

41a	Enter the amount of qualified N.C. Unemployment Insurance Contributions	41a.	0
41b	Multiply Line 41a by 25% (.25) and enter the amount here and on Line 22 of Form D-400	41b.	0

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

2011 MAR 20 11:11:58

WAKE COUNTY, C.S.C.

BY _____

AFFIDAVIT OF ANDREA CLARK

I, Andrea Clark, being first duly sworn, state as follows:

1. I am a resident of Charlotte, North Carolina.
2. I am 29 years old and have three dependent children. I am currently employed.
3. In December of 2011, I heard an ad on the radio from Instant Tax Service ("ITS").

As best I can remember, the ad stated that ITS was offering a "Christmas Loan" of up to \$900.00. The ad stated that to apply for the loan you needed to bring in a pay stub from your paycheck.

4. I heard the radio ad before Christmas, and decided to go to an ITS office to apply for the loan. I did so the week after Christmas, on I believe December 27, 2011. I went to the ITS office located at 2712 Freedom Drive, Charlotte, North Carolina.

5. On that date I sat down with a representative from ITS, a woman. She explained that the amount of the loan depended on what the "bank decided." She further explained that the amount of the loan would be paid back from my tax refund once my tax return was filed. She told me I would need to bring in my W-2 forms in order to have ITS file my taxes. I asked her what the fee for all this would be, and she said the fee would be in the range of \$300.00 to \$400.00. I thought this was a fair amount because it was approximately what I had paid to H&R



STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

2011 MAR 20 11:11:58

WAKE COUNTY, C.S.C.

BY _____

AFFIDAVIT OF ANDREA CLARK

I, Andrea Clark, being first duly sworn, state as follows:

1. I am a resident of Charlotte, North Carolina.
2. I am 29 years old and have three dependent children. I am currently employed.
3. In December of 2011, I heard an ad on the radio from Instant Tax Service ("ITS").

As best I can remember, the ad stated that ITS was offering a "Christmas Loan" of up to \$900.00. The ad stated that to apply for the loan you needed to bring in a pay stub from your paycheck.

4. I heard the radio ad before Christmas, and decided to go to an ITS office to apply for the loan. I did so the week after Christmas, on I believe December 27, 2011. I went to the ITS office located at 2712 Freedom Drive, Charlotte, North Carolina.

5. On that date I sat down with a representative from ITS, a woman. She explained that the amount of the loan depended on what the "bank decided." She further explained that the amount of the loan would be paid back from my tax refund once my tax return was filed. She told me I would need to bring in my W-2 forms in order to have ITS file my taxes. I asked her what the fee for all this would be, and she said the fee would be in the range of \$300.00 to \$400.00. I thought this was a fair amount because it was approximately what I had paid to H&R



Block to do my taxes in the past.

6. During that same conversation, the ITS representative gave me an estimate of what my federal tax refund would be. She told me it would be about \$2,999.99, and she told me I did qualify for a "Christmas Loan" of \$50.00. She also asked me whether, when I returned with my W-2s, I wanted to apply for a refund anticipation loan. I told her yes, I did want to apply for a refund anticipation loan. When I left the ITS office I was given a check for \$50.00. Before I left I signed something acknowledging my receipt of the check for \$50.00, and I also signed a form to apply for a refund anticipation loan. This form stated that, if I qualified for the refund anticipation loan, I would receive the loan within 24 to 48 hours.

7. On January 20, 2012, I received my W-2 forms. The next day I went back to the ITS office to have ITS do my tax return. I brought in my W-2's as well as my last pay stub. I sat down with the same person I had met before. She told me that ITS had already filed my tax return, that they had done so on January 17, 2012.

8. I was upset to hear that my tax return had already been filed. I was upset because ITS had done this without my knowledge and permission, but also because I knew the return had to be inaccurate. I knew this because my W-2 wages were different from the wages ITS had used from the pay stub I had previously given them. My biggest concern was that I received unemployment benefits in 2011, and the return that ITS filed obviously had not included my unemployment benefits because I had not given them the information. I expressed my anger to the woman about the inaccuracy of the tax return and the fact that it had been filed without my

permission. I then asked her if ITS was going to charge me the same amount quoted, between \$300.00 and \$400.00, and she responded that she had never quoted me that figure, that the fees were actually going to be between \$600.00 and \$800.00. I was very upset to hear this. I let her know how upset I was.

9. During this same conversation, I asked how much ITS had calculated my actual refund from the IRS would be. The woman told me the refund amount would be \$3,799.00. I asked her for the exact amount of the fees that would be taken out of this and she stated, "it's up to the bank." She gave me the name and number of the bank. The name of the bank was Tax Tree.

10. I was very unhappy with ITS, so immediately after I left their office I went to Jackson Hewitt to see if Jackson Hewitt could help me out. They told me they could not, that the only thing I could try to do would be to put a stop on the electronic filing of my tax return and to file a paper return.

11. Over the next few days I was still very angry and upset about what ITS had done. I wanted to have a better understanding of what they had done. I tried to contact the ITS office by phone many times (I estimate more than twenty) but was never able to speak with anyone. Finally, I did manage to speak with someone who identified herself as a supervisor at another location of ITS. I told her that I wasn't calling to argue, that what's done is done, but that I wanted to understand the fees and the loan process. She explained to me that when someone comes in to apply for a Christmas loan, the bank comes back with a figure, usually between

\$50.00 and \$100.00. She also explained that when someone applies for the loan, that person is locked in to having ITS file his/her taxes. She explained that the fee is between \$600.00 and \$800.00, and that the amount depends on how much the bank charges.

12. Finally, the woman explained that loan applicants receive either one or two checks. If the person is not approved for a refund anticipation loan, he or she will get the initial Christmas loan check, usually the \$50.00 or \$100.00, and the second check will be the refund amount less whatever fees are charged. If the person is approved for the refund anticipation loan, that person will receive the Christmas loan check, a check for the refund anticipation loan, and a third check for the remainder of the refund (less fees). She said that if the person is approved for the refund anticipation loan, the check comes within 24 to 48 hours. I told her, well, I haven't gotten my check, so that must mean I wasn't approved, and she responded, you're right, that the time frame for refunds when the refund anticipation loan is not approved is usually about ten days.

13. On January 27, 2012 I contacted the IRS. The IRS told me that my refund should be deposited in the account set up by ITS on January 31, 2012. The deposit didn't happen on that day, so I logged onto the IRS website and the website stated that the deposit should happen on February 1, 2012.

14. So, on February 1, 2012, I went to the ITS office to get my refund. I waited for about an hour for ITS to process my check. While I was there, I spoke with an ITS representative and asked her to write down the amount of the fees I was going to be charged. I also asked her

Sworn to and subscribed before me

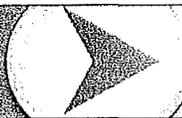
This the 01 day of March, 2012

Tashika Foote
(Notary Public)

TASHIKA FOOTE
NOTARY PUBLIC
MECKLENBURG COUNTY
NORTH CAROLINA
MY COMMISSION EXPIRES JULY 13, 2016

My Commission Expires: July 13, 2016

Retirement Savings



Turn here



About.com Tax Planning: U.S.

Share

Tax Preparation Prices and Fees

What's a Reasonable Price to Pay for Preparing Tax Returns?

By William Perez, About.com Guide

Free Tax Planning: U.S. Newsletter!

Enter email address

Sign Up

Discuss in my forum

Nov 16 2010

Tax professionals use a variety of methods for setting prices for tax preparation services. As a result, finding out what's a fair price to pay often proves difficult. The only general conclusion I've come to is that the price for tax preparation services increases depending upon the complexity of the tax return.

Pricing Methods Used by Tax Preparers

Tax professionals use a variety of different methods to set prices. In a study conducted by the National Association of Tax Professionals, pricing methods include:

- A set fee for each tax form or schedule,
- A fee based on last year's fee plus an additional fee for any changes in a client's tax situation,
- A minimum tax return fee, plus an additional fee based on the complexity of the client's situation,
- A value-based fee based on the subjective value of the tax preparation service,
- An hourly rate for time spent preparing the tax return, and
- A set fee for each item of data entry.

Fee structures are decided by each firm. So if you are comparing different tax professionals, you'll want to ask how they determine their prices, and what they estimate your tax preparation service might cost. But because of per-item, per-form, or per-hourly rates, it might be impractical for an accountant to provide you with an accurate price quote. Accordingly, you'll want to ask accountants for a likely price range for your tax return.

Average Prices for Tax Preparation Fees

It's a bit easier to find average prices for tax preparation services. The National Society of Accountants in their 2010 fee study reports the following average prices charged by their members:

- Average for 1040 with Schedule A and state return: \$229
- Average for 1040 with state return with no itemized deductions: \$129

Average Prices at Franchised Tax Offices

- H&R Block: \$189 per return (average, 2010 data)
- Jackson Hewitt: \$208 per return (average, 2010 data)

Liberty Tax, also a nation-wide chain, did not disclose their average fees in their 2010 or 2009 annual reports.

The fees charged by the chains and as reported by the National Society of Accountants are fairly similar. So these average prices may represent a sort of range for average prices charged.

Find Out What's Included in the Tax Preparation Fee

To help you determine if your tax preparation fee is appropriate, be sure to ask the accountant exactly what's included in the fee. Do they charge extra for electronic filing? Do they charge extra if you need a copy of your tax return later in the year? Does the fee include a tax consultation or planning meeting where you can ask questions and receive advice on how to minimize your taxes?

Some firms, especially the franchise chains, charge an extra fee for audit protection. This is basically a way to prepay for any costs associated with an audit of your tax return. So you should ask the accountant how they charge in case your return is audited, or if they will correct any mistakes they make free of charge.



Additionally, find out how the accountant will charge if you call up later in the year to ask a tax question, or need copies of your documents, or need to respond to a letter from the IRS.

How to Negotiate a Fair Price

You are entitled to ask your accountant for a price quote or an estimate in writing, before the tax preparation begins. You can also ask your accountant to let you know, in advance, before the fee exceeds your budgeted amount.

If you are searching for the lowest price, the best thing to do is call various tax preparation firms and get a feel for their price ranges. The business might not be able to give you an exact price quote, but they should be able to quote you either an average price or a price range for your tax situation.

Some firms will charge higher prices during their busiest days. The weeks just after W-2 forms are mailed out, and the weeks just before the April 15th deadline are busiest. You may be able to obtain a lower price quote during a less busy part of the season.

Additionally, it's easier to negotiate prices up front before work has begun on the tax return than after all the work has been completed. If you're on a budget, you may want to negotiate a flat fee for your tax preparation. Be sure to discuss your budget upfront with your accountant to see what they are able to do.

Inappropriate Pricing Methods

While tax accountants employ a variety of pricing mechanisms, there are some pricing models that are illegal and prohibited by regulations issued by the US Treasury Department. In particular, tax professionals are prohibited from charging a fee that's based on any information contained in the tax return. The most common example is a fee that's based on a percentage of your tax refund. Tax preparers are also prohibited from charging contingent fees except in certain limited circumstances.

Additionally, you should be wary of a tax preparation fee that is much higher than normal. Exorbitant fees can be an early indicator that your tax preparer is engaging in fraudulent activities. Several cases of fraud have involved tax preparers taking inappropriate deductions and tax credits and charging large fees to their clients. If your invoice is much higher than you anticipated, be sure to ask your accountant how the fees were determined.

What to Do in the Case of a Price Dispute?

Inevitably, clients and tax accountants might disagree over the appropriate price of tax preparation service. You should be aware that regulations issued by the Treasury Department protect the client in fee disputes. Client are always entitled to receive their original tax documents back from their accountant, even if the fee hasn't been paid. By the same token, accountants can keep any forms, schedules and documents they have prepared themselves.

Sources

National Association of Tax Professionals, [2008 Fee Study](#), publicly available sample of the report, pdf format.

National Society of Accountants, [Fee Study summarized at CPA Technology Advisor](#), and [2010 Fee Study summary](#) in doc format.

H&R Block, average fees from [2010 Annual Report to Shareholders](#).

Jackson Hewitt, average fees for 2010, from [Annual Report to Shareholders](#), pdf format.

Treasury Department, [Circular 230](#), sections 10.27 and 10.28, pdf format.

Related Searches [Tax Preparation Fees](#) [National Society Of Accountants](#) [Tax Preparation Service](#) [Jackson Hewitt](#) [Tax Preparation Services](#)
[Accurate Price](#)