

MEMORANDUM

To: Issuers of Refund Anticipation Loans

From: John S. Allison

Date: October 1, 2003

Re: Licensing under Consumer Loan Broker Act

This Memorandum shall serve as a follow-up to my previous memo dated August 19, 2003, regarding the licensing of issuers of refund anticipation loans (“RALs”) under the Mississippi Consumer Loan Broker Act. It is the opinion of this office that issuers of RALs must obtain a Consumer Loan Broker license if any fee, compensation, bonus or rebate is received from the borrower or from a third party, *including rebates at the end of the tax season from a third party*, for the issuance of a RAL. **If only a tax preparation fee is received and no other type of fee, compensation, bonus or rebate is received, a license is not required.**

Please be advised that if you offer RALs and receive a fee or compensation for this service, you must contact this office to obtain a consumer loan broker license. You may visit our web site at www.dbcf.state.ms.us or contact Laurie Blackwell in my office at (601) 359-1031.