

## **PAST DUE RAL AND RAL ADVANCE COLLECTIONS**

As the peak of tax season winds down, SBBT begins the process of collecting RALs and RAL Advances not funded by the IRS. Collection of past due loans began in mid February. We assign collectors to the group of past due accounts, and they work on collecting the outstanding balances throughout the rest of the year.

### **How do you define a Past Due Loan at SBBT?**

If a refund has not been received on a loan one week past its expected funding date, SBBT considers the loan Past Due. In addition, if the RAL has received a partial deposit from the IRS due to offset either on its expected date or one week later, the loan is considered Past Due. Our first Past Due letters are mailed to the taxpayer(s) within one day of the loan becoming Past Due.

### **How do you calculate loan loss for my office?**

We calculate the loan loss percentage for each office by looking at the total amount of dollars outstanding in past due loans divided by the total amount of dollars loaned out for clients. This percentage is your loan loss ratio. You can find out what it is by logging on to MyCISC at [www.sbbtral.com](http://www.sbbtral.com) under the "Business Reports" link and selecting the "Current Loan Loss Ratio" report. It is updated weekly.

### **What are my responsibilities as the Tax Professional, and what can I do to assist in collections?**

- 1) You cannot participate directly in collections without becoming a third party debt collector but you can help SBBT by working with your customer to help them get their IRS refund. Find out what accounts are past due. You should be able to get a report from your software provider or service bureau. You can also log on to [www.sbbtral.com](http://www.sbbtral.com) and go to the "Business Reports" link and select the "RALs Past Due" report.
- 2) If possible, contact your client and see if there is anything you can do to help them. Simply explain to them that you know their refund was not funded or it was only partially funded by the IRS and that you'd like to have them contact the IRS right away. If an account is past due because the IRS is holding up your client's refund, you may be able to work with your client and the IRS to resolve any issues and allow the IRS to release the refund. If the refund is released, your client's outstanding loan would be paid off automatically. If the client has any questions about their past due loan, please refer them to us.
- 3) If you are unable to contact your customer, please fax or mail us (for security reasons, no email please) any information such as additional phone numbers, work numbers, pagers, etc. that we do not have in our database **ONLY ON THESE PAST DUE ACCOUNTS** as soon as possible (our address and fax number is listed below). Please double-check the contact information so that it is up-to-date as well. This is particularly important if you are going on vacation, or closing down your office at the end of the tax season. This will improve our ability to contact your client.

**MAILING ADDRESS:** Santa Barbara Bank & Trust, P.O. Box 1390, Solana Beach, CA 92075  
Tax Professional Support: (800) 779-7228. Fax server: (858) 430-2795.

### **What do I (the Tax Pro) do if the taxpayer tells me they have received an IRS refund check on a RAL or RAL Advance account?**

In the unlikely event that this happens, we request that you contact the bank at (800) 779-7228 for further instruction.

We appreciate your support in this part of the collection process. Please let us know if we can assist you in any way.

Team SBBT