

LAWSUIT CHARGES JACKSON HEWITT AND SANTA BARBARA BANK & TRUST WITH FRAUDULENT AND ILLEGAL

Ventura, CA (BlackNews.com) - In a consumer rights case of national significance, Hood v. Santa Barbara Bank & Trust, et al., a California Court of Appeal recently issued a strongly worded opinion rejecting the claims of national banks that they are immune from state prosecution for their practices of seizing consumers' tax refunds to pay debts allegedly owed to other banks. The ruling clears the way for the Hood case to proceed with its claims that Jackson Hewitt and Santa Barbara Bank & Trust (SBBT) engage in misrepresentation, unlawful debt collection and unfair business practices.

The lawsuit arises from SBBT's practice of offering Refund Anticipation Loans (RAL) to consumers who get their taxes prepared at Jackson Hewitt offices. Consumers apply for RALs as a way of getting a quick tax refund, but some consumers end up having all or part of their tax refunds seized by SBBT when another bank claims the consumer owes money for a preexisting RAL.

SBBT is one of a number of banks nationwide that make RALs through tax preparers such as Jackson Hewitt. RALs are high cost loans secured by a consumer's anticipated tax refund. Typical fees for a RAL range from about \$30 to \$100, with effective annualized interest rates ranging anywhere from about 60% to over 700%. National consumer advocates have reported that high numbers of Black and Latino tax filers purchase RALs. RALs are also targeted at the working poor, many of whom receive the Earned Income Tax Credit. Consumer groups have found that RALs cost taxpayers hundreds of millions of dollars per year.

The Court of Appeal's decision "is an enormous victory for consumers nationwide who have been subjected to the illegal seizure of their tax refunds by national banks like Santa Barbara Bank & Trust and Household Bank," said plaintiffs' counsel Jim Sturdevant of The Sturdevant Law Firm in San Francisco. "We look forward to exposing the banks' unlawful debt collection scheme and obtaining justice for consumers nationwide," Sturdevant stated. The Court's ruling clears the way for this proposed class action to go forward. The Sturdevant Law Firm in San Francisco (<http://rs6.net/tm.jsp?t=cse5cdcab.0.kjm5fdcab.dinu5xbab.45664&ts=S0269&p=http%3A%2F%2Fwww.sturdevantlaw.com>), along with the National Consumer Law Center (<http://rs6.net/tm.jsp?t=cse5cdcab.0.ljm5fdcab.dinu5xbab.45664&ts=S0269&p=http%3A%2F%2Fwww.nclc.org>), is asking the court to represent the proposed class. If any consumers have had their tax refunds seized after going to a Jackson Hewitt office, the Sturdevant Law Firm is interested in hearing about it. To receive more information about consumers' legal rights regarding RALs, please contact The Sturdevant Law Firm at (415) 477-2410.

About The National Consumer Law Center The National Consumer Law Center, with offices in Boston and Washington, D.C., is a national research and advocacy organization focusing on the legal needs of consumers, especially low income and elderly consumers. For over 30 years the National Consumer Law Center has been the consumer law resource center to which legal services and private lawyers, state and federal consumer protection officials,



Chamell Franklin - August 15th
Happy "Sweet Sixteenth" Birthday
Love, Moma, Daddy, Darren Krissy & Marcus

Cherokee Civic Theater

of Rusk, Texas
presents

Seussical, The Musical
by Lynn Aherns & Stephen Flaherty

Performances: October 12, 13, 19, & 20 at 7:30 pm
October 14 & 21 at 2:00pm



Pictured left to right Rusk City Councilman

Walter session, Andrew Melontree, Tyler Citizens 1st Bank, James I perkins, Citizens 1st Bank President and Cody Glenn, former Rusk High School Running Back, former Rusk Citizens 1st Bank Employee and current University of Nebraska Running Back. They are viewing a thank you note to Mr Perkins from Rusk State Hospital for all he and Citizens 1st Bank does for Rusk State Hospital. The Thank you note is signed by each member of the RSH Staff and Superintendent Ted Debs.

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