



Stimulus Check Cashing Advisory

The United States Internal Revenue Service has begun sending federal stimulus funds to individuals, and the money is being either directly deposited into people's bank accounts or being sent in the form of a physical check. Individuals who receive a physical check but do not have a bank account may still cash their stimulus funds certain places including some financial institutions (bank or credit union), check cashing companies, or some retailers. Please consider these tips before you attempt to cash your stimulus check and know what is required to cash a check.

Depository institutions, meaning banks and credit unions, are not obligated to cash checks for individuals who are not already customers. Some institutions may cash the check for non-customers for a fee, provided the individual furnishes identifying information. Generally, a government issued picture ID is required. If you take your stimulus check to a bank or credit union, ask if they are willing to cash the check for non-customers and what associated fee is charged.

If you already have a checking or savings account and try to deposit and/or cash your check at your bank or credit union, the bank or credit union may place a temporary hold on some or all of the funds, delaying the availability of some amount of your check. Ask the bank or credit union about its policy on holding any portion of deposited funds, and what amount will be provided to you in cash immediately, should you request it.

Financial Institutions are not the only places available to you to cash stimulus checks. Licensed check cashing companies and many retailers may also cash your check for a fee. In addition to cashing checks and providing cash, many check cashers and retailers also offer deposit and checking account services, as well as reloadable prepaid debit cards. Consumers are encouraged to ask about whether or not any of the funds they deposit are insured.

Licensed check cashing companies are permitted to charge a fee of the greater of five dollars (\$5) or five percent (5%) of the face amount of a check for stimulus checks. As an example, for a \$1,200 stimulus check a licensed check casher may charge up to \$60 for cashing a check. Many check cashers are currently offering discounted rates for cashing stimulus checks. For example, PLS advertises check cashing of stimulus checks at its lowest rate, 1% plus \$1. Many consumer financial service businesses also hold a check cashing license, such as small loan ("payday") lenders, and money transmitters. For a listing of licensed check cashers in Indiana, see a link to DFI's listing of licensed check cashers here: [Indiana licensed check cashers](#). All Indiana licensed and regulated businesses subject to DFI authority can be found on the DFI website, in.gov/dfi, under "License Look Up."

Another low cost and accessible option for cashing stimulus checks includes retailers such as grocery stores, big box stores, travel centers, convenience stores, liquor stores, and pharmacies, many of whom offer such

services. Consumers are encouraged to contact a retailer before you go to ask if a business will cash stimulus checks, what information they may require, how much they charge, and if they also offer prepaid debit cards. Indiana law permits a retailer to charge up to \$5 to cash a check, if they are not a licensed check casher. Retailers who provide check cashing services are generally not required to have a check cashing license if they charge \$5 or less. Be aware that many check cashing businesses or retailers offering check cashing services may also be limited regarding the amount of the stimulus check. Most businesses that offer such services will be able to cash stimulus checks for up to \$1,000, and many businesses will be able to cash stimulus checks for larger amounts. If a consumer has a stimulus check in an amount greater than \$1,000, you are encouraged to first contact the business to ask if the business has any limitations on the amount of the check they are able to cash.

In addition to cashing stimulus checks, some consumers may have interest in depositing some or all of their funds into an account, or loading some or all of their funds onto a prepaid debit card. Many financial institutions offer online account opening, and many retailers also partner with financial institutions to offer deposit and checking account services to their customers. Contact your local financial institution or retailer to learn more about what account services may be available to you.

Financial institutions, licensed check cashers, licensed money transmitters, and some retailers offer prepaid debit cards in addition to check cashing services. Generally, there are fees associated with an initial purchase of the card itself, plus additional fees for the card's ongoing use. Typical options include a "pay as you go" option where a fee is charged on the balance of the funds for using a PIN, an ATM, or retail use; or, a monthly fee option, where the customer is charged a recurring monthly fee for all manners of use of the prepaid card. There are often other fees for adding more funds to the card, or for not using the card. Prior to purchasing a prepaid debit card, consumers are encouraged to ask questions to determine what fees are associated with the card, and to best determine which purchase option is the best fit for their circumstance.

In order to cash stimulus checks, open an account and/or deposit funds into an account or put funds onto a prepaid card, consumers will generally be required to provide government issued identification. Customers may also be asked to provide a thumbprint, or take a picture with the check being presented for deposit.

Consumers with questions or concerns about the legal fee limitations are invited to contact the Department of Financial Institutions at 317.232.3955. If a consumer believes they were overcharged a fee, they should keep their receipt, and fill out a complaint form found at in.gov/dfi, "File a Complaint".

Consumers and businesses alike are encouraged to also be vigilant concerning potentially fraudulent stimulus checks. The U.S. Treasury in coordination with the U.S. Secret Service has issued a press release that describes in detail how to identify counterfeit U.S. Treasury checks by knowing what to look for and where to look. The press release issued April 20, 2020 can be found here: [CMR 06-20](#).

Consumers are urged to be aware of coronavirus-related scams. No government official will call you to confirm your bank account information or your social security number; never give out personal information if you did not initiate the phone call. For more detailed information related to financial scams and tips for protecting yourself, see the FTC's website [Coronavirus Scams: What the FTC is doing](#). Additional Coronavirus information for Consumers can be found on the Indiana Attorney General's website, [Coronavirus Information for Consumers](#).