

What is a remittance transfer?

Federal law defines “remittance transfers” to include most electronic money transfers from consumers in the United States through “remittance transfer providers” to recipients abroad.

Remittance transfers are commonly known as “international wires,” “international money transfers,” or “remittances.” Under federal law, remittance transfers do not include transfers of less than \$15.

Certain federal protections apply if you send money abroad

Under federal law, many money transmitters, banks and credit unions and possibly other types of financial services companies qualify as “remittance transfer providers.” They must generally provide consumers certain information before they make remittance transfers. This includes information about:

- The exchange rates.
- Fees and taxes they collect from you.
- Fees charged by the company’s agents abroad and certain other institutions involved in the transfer process.
- The amount of money expected to be delivered, not including foreign taxes or certain fees charged to the recipient.
- If appropriate, a statement that additional foreign taxes and fees may be deducted from the remittance transfer.

You also must receive information about when the money will be available, instructions on your right to cancel transfers, what to do in case of an error, and how to submit a complaint.

The right to cancel

After paying, you will typically have 30 minutes (and sometimes more) to cancel the transaction at no charge, unless the transfer has already been picked up or deposited into the recipient’s account.



I'm sending money to another country. How can I figure out which company offers the best price?

Consider the total amount that you will pay, the amount that the recipient will get, and the transfer fees, taxes, and any exchange rate when shopping around for money transfer companies.

If you send money internationally with a remittance transfer provider, you generally will be given information before you pay about the total amount that you will pay, the amount that the recipient will get, and also the transfer fees, taxes, and any exchange rate. Use this information to shop around from one company to the next.

One way to comparison shop is to look at how much money the person at the other end of the transaction will get if you were to give each company the same amount of money to pay for fees and the transfer itself. The company that gets the most money to the recipient is the cheapest.

Example: Let's say you have \$100 in your pocket that you would like to use to pay for a transfer to your brother in Colombia, including the transfer amount, plus any fees and taxes. Company A tells you that your brother would get 175,000 pesos. Company B tells you he would get 180,000 pesos. In this example, Company B's transfer is cheaper.

Some websites have information about various companies' prices for sending money internationally. For example, one site provides information about transfers from the United States to countries worldwide. Other sites provide information about transfers from certain cities in the United States to countries in Central America, Africa, and the Pacific, as well as Haiti. All five websites focus on how much a recipient will get if you start with \$200 or \$500 to both send and cover the costs of sending money.

You might find these or other sources of price information a good starting point for your comparison shopping.

Warning: Remember that these websites may be incomplete. For example, these websites may not include all the companies in your area. Also, these websites may not reflect the exact amount of money a company would provide to the recipient. The amount of money that someone receives abroad depends on fees, taxes, and any exchange rate. Companies might change their prices and exchange rates frequently or charge different prices at different locations or for transfers of different sizes. Also, companies may charge other fees that are not reflected on these websites. The CFPB is not responsible for these sites and does not endorse them.

I sent money to the wrong account number. What can I do?

If you sent money to the wrong account number, contact the company that sent the money transfer immediately.

Ask for the transfer to be stopped or reversed. The company may be able to retrieve the funds. If you have sent money internationally, in some cases, the company will be required to offer you a refund. But the provider may not be required to return your money if it cannot be retrieved.



If you believe the provider did not act properly, you can contact the company directly. If you are not satisfied with the company's response, you can also submit a complaint to the CFPB online or by calling (855) 411-CFPB (2372).

I want to submit a complaint about an international money transfer, what should I do?

If you have a complaint about an international money transfer, contact the company that sent the money right away. The sooner you start the complaint process, the sooner your issue could be resolved

Contacting the company quickly can also help protect your legal rights.

If you used a remittance transfer provider to send money to another country, federal law requires the provider to investigate your complaint and tell you the results.

In addition to explaining why you believe the error exists, give the provider as much information about the transfer as you can, including:

- Your name
- Address
- Telephone number
- Email address or other identifying information used in sending the transfer
- The name, address and phone number of the person receiving the funds, and any email address or other identifying information used in sending the transfer
- The dollar amount of the transfer
- The confirmation code if you have one
- The date the transfer was requested
- The destination
- And any other information that could help the provider identify the transfer
- The type, date, and amount of any error, to the extent possible.

You have 180 days from the date the money was supposed to be available to contact the provider and report the error. This date of availability is printed on your money transfer receipt. But don't delay. The sooner you start the process, the sooner it can get fixed.

The remittance transfer provider will have 90 days to investigate your complaint. For certain types of errors, such as if the money never arrives, you may be able to get a refund or have the transfer sent again.

If you are not satisfied with the company's response, you can also submit a complaint to the CFPB online or by calling (855) 411-CFPB (2372).

Tip: Didn't use a remittance transfer provider? Contact the company anyway. Even if the company that sent your transfer does not fall under the federal law, the company may be able to help, and other state laws and other protections may still apply.