



ORIENTATION AND ADVICE FOR SENDING MONEY TO MEXICO

¿What are Remittances?

It is the money being sent by one person to its place of origin when such person resides in another country.

Before sending money you should consider:

That every dollar sent is part of a big effort, therefore, it is very important to analyze what the best option for sending your money is. The cheapest option is not always the best option. It is important to consider money sending alternatives, since the quantity received in Mexico by your beneficiary may vary depending on the alternative you choose. You should therefore take into consideration the following aspects:

- **Shipping Fee.** The amount that is charged by the Financial Institution for sending money to Mexico.
- **Exchange Rate:** It is the amount in pesos that will be delivered (or that you will receive) in exchange for your dollars.
- **Shipping Type:** It refers to the time the money shipment will take to reach your beneficiary. The immediate shipments usually have higher fees.
- **Limit on the shipping amount:** Some institutions set a maximum amount. If the remittances you need to send are higher than the set amounts, then you will have to make a second shipment which would result in payment of double fees.
- **Shipment Costs:** Make sure the cost of your transportation (subway, bus, taxi, etc.) to the institution in which you will send the money is not a big expense, since it may be the case that you are spending more than you are saving.



Shipping Types

Most shipments are made by electronic means such as: wire transfers, use of cards (debit, credit, prepaid) or even via the internet.

It is important that you consider all your options. Below you will find some useful alternatives:

1. **“Directo a México”.** It is a service that allows you to send money from an account from a financial institution subscribed to the program “Directo a México” in the US, to any bank account in Mexico or any telegraph office (Telecomm telégrafos). Low fees are paid for this service, generally lower than \$5 dollars per shipment among bank accounts. It takes only one business day for the money to be available to your beneficiary in Mexico. You just need to open a bank account in a bank or credit union branch in the US that has an agreement with “Directo a México”.

2. **Cash Transfers.** They are carried out by institutions and banks located in the US and which have agents throughout Mexico in charge of delivering the cash. For this service, you give the money you want to transfer plus a fee to the institution in charge of sending the money and they send it to the final destination. The money may be picked up in pharmacies, money exchange houses, grocery stores, etc. Western Union, MoneyGram and Vigo are some of the most common institutions for cash transfers.

Sending Money to Mexico

CONSULATE GENERAL OF MEXICO IN NY



¡Open a bank account!

It will help you see your expenses clearly and it may reduce remittances fees. You may open a bank account in many branches with your passport or consular id.



Get counseling

Come to the Financial Counsel Window for further informative handouts and individual counseling regarding the financial system, or to know more about starting a business in the United States. Do not send money with people who carry it in cash (packeeters).

SRE
CONSULADO GENERAL DE MÉXICO
EN NUEVA YORK



3. Wire Transfers. Some banks in the US work with Mexican banks transferring money. The most common banks are Citibank, Wells Fargo and Bank of America. In order to carry out the wire transfer it is necessary for you to have a checking or savings account in the US. Whoever receives the money shall have a Mexican bank account, specifically in the bank in which the money will be transferred. These services are usually free or have very low costs.

4. Sending Money Accounts. Some banks in the US offer specific accounts for sending money to Mexico through the use of debit cards that you may give to your relatives. For such purpose, you shall deposit money in a branch or ATM and the person receiving the money may dispose of the cash by going to an ATM to get cash or using the card in establishments.

5. Online Transfers. Carried out by institutions that use an internet website for its operation. You can make the payment online and pay the correspondent fee by means of a checking account, debit or credit card under your name in the US. These institutions have agreements with banks and different agents in Mexico to deliver the money to your beneficiary either by cash pickup, bank deposit or home delivery. A very common institution used for this service is called Xoom.

6. Prepaid Cards. You do not need a bank account for this service; you may be able to acquire them in many establishments in the US with no need to identify yourself. The prepaid card is given to your beneficiary so he/she may be able to use the money in Mexico.

7. Telegraphic Transfers. They are used by people who live in rural areas where it is hard to find a financial institution. For this service you should go to a remittance institution in the US which has an agreement with the telegraphic offices in Mexico (Telecomm).

8. Money Orders. They are documents issued by remittance institutions, banks or money exchange houses. The money transfer is carried out by ordinary mail or certified mail which takes longer than other services.

REMITTANCES

In 2013, \$21,597 million dollars were received in Mexico as remittances, 98% of which were made by wire transfers such as, bank transfers, the use of debit, credit or prepaid cards and even via the internet.

PRACTICAL ADVICE

If you are receiving money or if you are sending money from the United States to Mexico, consider the following tips:

If you send money:

- Before deciding which service to use, ask about the rates and fees you will be charged for the service and whether you may be further charged more.
- If it is not an urgent transfer, consider the options that are not for immediate delivery since they are cheaper than the immediate transfers.
- The consular id is accepted as legal identification. You may open bank accounts in many banking institutions with it. Ask how to get the consular id at the Consulate.
- Get in touch with your family in Mexico and discuss what the best option for sending money is.

If you receive money:

- Get informed about the estimated amount you will receive and the time it will take.
- Tell the person who is sending the money from the US about the institutions that deliver in your locality.
- Never allow the institution that will deliver the money to condition the service or oblige you to purchase merchandise and never allow payment in species rather than cash.

Ejemplo de un envío de 300 dólares
Datos correspondientes al lunes 29 de septiembre de 2014

Concepto y empresas de servicio de envío de dinero	Do!Ex Dollar Express	Western Union Dinero día siguiente	Western Union Dinero en minutos
Costo del servicio (dólares)	3.00	8.00	8.00
Comisión por envíos de hasta 300 dólares (dólares)			
Tipo de cambio al que se paga (pesos por dólar)	\$12.95	\$13.38	\$13.38
Pesos recibidos	\$3,885.00	\$4,014.00	\$4,014.00



WHAT TO DO IF THERE IS A PROBLEM?

If you want to complain about noncompliance of any institution in the US you may go to Consumer Protection in the Federal Trade Commission: <https://www.ftccomplaintassistant.gov/Information>. In Mexico you may contact Profeco. Get advice in enviosdedinero@profeco.gob.mx

Get more information

We recommend you to consult the following websites in order to get more information and comparative data regarding money transfers to Mexico:

- <http://www.profeco.gob.mx/envio/envio.asp>
- <http://www.ime.gob.mx/es/nuestros-programas/educacion-financiera/23>
- <http://remittanceprices-espanol.worldbank.org/en/corridor/United-States/Mexico>

SRE
CONSULADO GENERAL DE MÉXICO
EN NUEVA YORK



México