

# DISCLOSURES

RECEIPTS, REFUNDS, & CREDIT  
LAYAWAY PLANS  
USED ITEMS

# DISCLOSURES

## RECEIPTS, REFUNDS, & CREDIT

### Rules of the City Of New York: Title 6

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- § 5-21. Compliance with Federal, State and Local Laws Regarding the Extension of Credit.
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## USED ITEMS

### Rules of the City Of New York: Title 6

- § 5-36. Sale of Used Items.

# **RECEIPTS, REFUNDS, & CREDIT**

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**RULES OF THE CITY OF NEW YORK**  
**TITLE 6: DEPARTMENT OF CONSUMER AFFAIRS**  
**CHAPTER 5: UNFAIR TRADE PRACTICES**  
**SUBCHAPTER A: CONSUMER PROTECTION LAW**  
**PART 3: CONSUMER CREDIT**

**§ 5-01. Definitions.**

**Consumer.** “Consumer” means an individual who buys or leases consumer goods or services, and that individual's co-obligor or surety.

**Consumer goods and services.** “Consumer goods and services” means goods or services (including credit) that are primarily for personal, household, or family purposes.

**Item.** “Item” means goods and services.

**Legal name.** “Legal name” means:

- (1) the true corporate name of a corporation; or
- (2) the name of at least one partner of a partnership; or
- (3) the name of at least one owner of a business that is not a corporation or a partnership.

**Seller.** “Seller” means any individual or business that offers to sell or lease consumer goods or services. “Seller” includes manufacturers, wholesalers, and others who are responsible for any act or practice regulated by this code.

**§ 5-21. Compliance with Federal, State and Local Laws Regarding the Extension of Credit.**

- (a) *Scope.* This section applies to all persons and businesses engaging in activities relating to consumer credit. In this section, such persons and businesses are called creditors.
- (b) Creditors must comply with all applicable federal, state and local laws relating to consumer credit.

**§ 5-24. Credit Card Limitations.**

- (a) A seller who accepts credit cards must conspicuously disclose every limitation the seller imposes on their use.
- (b) Disclosures required by this section must appear at or near every entrance to the seller's business premises and in all advertising that indicates credit cards are accepted.

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**§ 5-32. Documentation of Transactions.**

(a) *Definitions.*

**Audio equipment.** “Audio equipment” means any apparatus or equipment that is used for sound reproduction, including but not limited to amplifiers, phonographs, radios, receivers, speakers, tape players, tape recorders and turntables. Audio equipment does not include prerecorded or blank audio recording tape or records.

**Photographic equipment.** “Photographic equipment” means any apparatus or equipment used for the taking of photographs, including but not limited to cameras, camera cases, lenses and tripods. “Photographic equipment” does not include film, photograph albums or apparatus or equipment used to develop or enlarge photographs.

**Video equipment.** “Video equipment” means televisions and any apparatus or equipment that is used in the process of producing images on a television set, including but not limited to video disk players, video game units and cartridges, video tape players and video tape recorders. “Video equipment” does not include prerecorded video discs and tapes or blank video tapes

(b) *Receipts.* A seller must:

- (1) offer a consumer a receipt for any retail purchase if the amount of the purchase is twenty dollars or more; and

- (2) provide a consumer with a receipt upon request for any retail purchase if the amount of the purchase is between five and twenty dollars.
- (c) *Contents of receipts.* The receipt must contain:
  - (1) the amount of money paid for each item;
  - (2) the total amount of money paid including a separate statement of tax;
  - (3) the date of the purchase;
  - (4) the legal name and address of the seller in accordance with Section “Legal Name”;
  - (5) where the cost of any item of “audio equipment,” “photographic equipment” or “video equipment” exceeds one hundred dollars, any make and model number.
- (d) *Exemptions.* This section applies to the retail sale of all consumer goods and services except:
  - (1) food or drink intended for on-premises consumption; or
  - (2) oil, gasoline or parking fees paid for in cash.Sellers of these goods and services must provide consumers with receipts upon request if the amount of a purchase is more than five dollars.
- (e) *Register tapes.* A seller of food or drink for off-premises consumption may give the consumer a register tape containing the seller's name, the date, and the individual prices of items bought instead of giving a receipt.
- (f) *Other documents.* Upon request, a seller must provide a consumer with a copy of any document related to the sale which was signed by the consumer.

**§ 5-37. Disclosure of Refund Policy.**

Sellers of consumer goods and services must comply with all provisions of [New York General Business Law § 218-a](#). This regulation does not limit a consumer's right to receive a refund, credit, exchange, or anything else permitted by law.

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**MCKINNEY'S CONSOLIDATED LAWS OF NEW YORK  
GENERAL BUSINESS LAW  
CHAPTER 20: OF THE CONSOLIDATED LAWS  
ARTICLE 12-B: MERCANTILE ESTABLISHMENT**

**§ 218-a. Disclosure of Refund Policies.**

1. Every retail mercantile establishment shall conspicuously post, in the following manner, its refund policy as to all goods, wares or merchandise offered to the public for sale:
  - (a) on a sign attached to the item itself; or
  - (b) on a sign affixed to each cash register or point of sale; or
  - (c) on a sign so situated as to be clearly visible to the buyer from the cash register; or
  - (d) on a sign posted at each store entrance used by the public.
2. The sign, required by subdivision one of this section to be posted in every retail mercantile establishment, shall
  - (a) state whether or not it is the policy of such establishment to give refunds and, if so, under what conditions, including but not limited to whether a refund will be given:
    - (i) on merchandise which had been advertised as "sale" merchandise or marked "as is;"
    - (ii) on merchandise for which no proof of purchase exists;
    - (iii) at any time or not beyond a point in time specified;
    - (iv) in cash, or as credit or store credit only; or
    - (v) subject to any fees, including a restocking fee, and the dollar or percentage amount of each fee; and
  - (b) advise consumers that they are entitled to a written copy of the store's refund policy upon request.
3. Enforcement. Any retail mercantile establishment which violates any provision of this section shall be liable, for a period of up to thirty days from the date of purchase, to the buyer for a cash refund or a credit, at the buyer's option, provided that the merchandise has not been used or damaged by the buyer and the buyer can verify the date of the purchase with a receipt or any other purchase verification method utilized by the retail merchant.
4. Preemption. This section does not relieve any person, firm, corporation or association subject to the provisions of this section from complying with any law, ordinance, rule or regulation of any locality relating to the posting of refund policies which affords the buyer greater protection than do the provisions of this section.

# LAYAWAY PLANS

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**§ 5-23. Layaway Plans.**

Merchants who accept payment from a consumer that will be applied to the purchase of merchandise on a “layaway plan,” as such term is defined in § 396-t of the [New York General Business Law](#), must comply with all the requirements of that section.

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**MCKINNEY'S CONSOLIDATED LAWS OF NEW YORK  
GENERAL BUSINESS LAW  
CHAPTER 20: OF THE CONSOLIDATED LAWS  
ARTICLE 26: MISCELLANEOUS**

**§ 396-t. Unlawful Practices Relating to Layaway Plans.**

- (a) Definition of layaway plan. For purposes of this section, the term “layaway plan” shall mean a purchase over the amount of fifty dollars whereby the consumer agrees to pay in four or more installments for the purchase of specific merchandise, delivery of which is to be made upon the payment of the full purchase price at a definite future date or at a date to be selected by the consumer.
- (b) It is an unlawful practice for a merchant to accept payment from a consumer to be applied to the purchase of merchandise on a layaway plan without first disclosing to the consumer in writing the following information:
- (1) a description of the merchandise to be purchased on the layaway plan including, as appropriate, the type of item, the name of the manufacturer, brand name, color, size, style, or model number; and
  - (2) the total cost of the item, including tax, installation, delivery or freight charges; and
  - (3) the amount of any charge for the use of the layaway method of payment such as a service or carrying charge or cancellation fee. Failure to make this disclosure shall preclude the imposition of such charge or fee; and
  - (4) the duration of the layaway plan; and
  - (5) the required payment schedule, if any, and the consequences of missing payments; and
  - (6) the merchant's refund policy with respect to payments made by consumers; and
  - (7) the location, if other than the place of purchase, where the merchandise is being stored or if the merchandise selected by the consumer will not be removed from inventory upon receipt of the first layaway payment by the merchant, there must be prominently disclosed on the face of the writing given to the consumer, the time at which the merchandise will be isolated from inventory or ordered by the merchant, e.g., NOTICE: NO MERCHANDISE WILL BE REMOVED FROM INVENTORY UNTIL \_\_\_ PERCENT OF THE PURCHASE PRICE HAS BEEN PAID, or ATTENTION: YOUR SELECTION OF MERCHANDISE WILL NOT BE ORDERED UNTIL YOU HAVE MADE YOUR NEXT TO FINAL PAYMENT; and
  - (8) all other disclosures required by state or federal law.
- (c) The merchant must tender the specified merchandise in good condition to the consumer on demand upon receipt of the final layaway payment unless otherwise provided in the layaway plan.

- (d) Whenever there shall be a violation of this section, an application may be made by the attorney general in the name of the people of the state of New York to a court or justice having jurisdiction to issue an injunction, and upon notice to the defendant of not less than five days, to enjoin and restrain the continuance of such violations; and if it shall appear to the satisfaction of the court or justice that the defendant has, in fact, violated this section an injunction may be issued by such court or justice, enjoining and restraining any further violation, without requiring proof that any person has, in fact, been injured or damaged thereby. In any such proceeding, the court may make allowances to the attorney general as provided in paragraph six of subdivision (a) of section eighty-three hundred three of the civil practice law and rules, and direct restitution. In connection with any such proposed application, the attorney general is authorized to take proof and make a determination of the relevant facts and to issue subpoenas in accordance with the civil practice law and rules.
- (e) This section shall not annul, alter, affect or exempt any person subject to the provisions of this section from complying with the laws, ordinances, rules or regulations of any locality, relating to the disclosure of layaway plans, except to the extent that these local laws, ordinances, rules or regulations are inconsistent with any provision of this section, but no such local law, ordinance, rule or regulation shall be considered inconsistent, if it affords greater protection to the consumer.
- (f) The provisions of this section are intended, and are hereby declared to supersede any contrary provision of this article.

# USED ITEMS

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**§ 5-36. Sale of Used Items.**

- (a) A seller of a used item must disclose clearly that the item is used, in any advertisement or sales transaction concerning the used item.
- (b) Words such as “used,” “antique,” “demonstrator,” “floor model,” “rebuilt,” “renovated,” “restyled,” or “remodeled” may be used to indicate that an item is used.