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**DEPARTMENT OF CONSUMER AFFAIRS ISSUES HOLIDAY SHOPPING TIPS  
TO LAST-MINUTE SHOPPERS TO ENSURE CONSUMERS KNOW THEIR  
RIGHTS AND SHOP SMART**

The holiday shopping season has kicked into high gear and New York City Department of Consumer Affairs (DCA) Commissioner Jonathan Mintz is providing tips on smart ways to shop and spend wisely.

"The holiday season is one of the busiest times of the year," said Commissioner Mintz. "Balancing budgets, remembering to get receipts in case of returns, making sure you're getting the best deal – there's many different ways to ensure you're shopping wisely and DCA wants to make sure you know them all."

*Budgeting*

No one wants to still be paying for holiday gifts well into the New Year, so take control of your holiday spending budget with these pointers:

- **Plan ahead.** Start putting more money aside by cutting back on "extras" or non-essentials and putting those dollars in a savings account or other safe place. Shop early so you won't feel time-pressured to buy something that's more than you wanted to spend.
- **Make a list and stick to it.** Write a list of for whom you plan to buy and write down how much money you have to spend. Then stick to your budget!
- **Pay in cash.** If you pay for all of your holiday purchases in cash, you'll be less likely to overspend. Check your receipts after each shopping trip to keep track of what you're spending.
- **Use credit cards carefully.** If you must pay by credit card, read the fine print, know your credit limit, and pay your balance in full. If you exceed your credit limit or pay late, you may be charged a number of penalty fees and your interest rates could skyrocket to 30 percent or higher.
- **Watch your bank balance if you use your debit card.** If you spend more than your current bank account balance when you use your debit card, you could end up in debt, paying high "overdraft protection" fees – on average \$35 at the nation's largest banks. Keep a close eye on your balance, and what you have available to spend.
- **Know your overdraft options.** Contact your financial institution to find out if your account has "overdraft protection." Ask about the fees for other options which may be cheaper, like an overdraft line of credit or a link to your savings account. If other options are not available, your bank may let you opt-out of high-fee overdraft coverage.

### *Refunds and Exchanges*

Although you may think you are the perfect gift-giver, take a moment before you buy something to learn the store's refund or exchange policy:

- **Check the refund policy.** Stores can establish their own refund or exchange policy, but it must be displayed clearly where you check out. If they do not post a policy, you have a right to a full refund within 20 days in the same manner in which you paid.
- **Beware of restocking fees.** Many retailers, especially electronics stores, charge fees for restocking items returned, particularly in opened boxes. These fees, which vary, must be disclosed.
- **Get and keep your receipts.** Always get a receipt and save it. In NYC, you are entitled to a receipt for purchases over \$20. Receipts must show the total amount paid, date, business name/address, the make/model of the items you bought, and, if applicable, the business' DCA license number. Also ask for gift receipts so the person who receives your gift can take advantage of return and exchange options.

### *Gift Cards*

A TowerGroup report found that consumers spent \$87 billion on gift cards in 2009. Gift cards are big business — but before you buy one, look for any fees, expiration dates or limitations:

- **Fees and limitations.** It is illegal for retailers to charge any retroactive fees against the balance of gift certificates/cards, or charge monthly fees that deduct from the value on cards that are used within one year of their purchase. Stores must post any rules and requirements on a visible sign that says "Terms and Conditions Are Applied to Gift Certificates/Cards." Certain important terms and conditions, like fees or expiration dates, must also be printed on the gift card.
- **Spend quickly.** Many gift cards can expire or fees can deplete the value of the card if they are not used. Be sure to use a gift card as soon as possible.
- **Protect gift cards like cash.** Register your gift card with the retailer if they have a registration system in case your card is lost or stolen.
- **Buy gift cards that are stocked *behind* the counter.** Cards that can be purchased in the aisle with other products are often not secured and can be subject to fraud.

Last year, consumers lost more than \$6 billion dollars on gift cards because of issuer practices, such as expiration dates and fees, designed to drain gift cards of their initial value. To further protect consumers that purchase gift cards, DCA recently submitted recommendations to the Board of Governors of the Federal Reserve System recommending that gift card regulations be strengthened by:

- Requiring pre-purchase disclosures must be in writing at each point of purchase
- Requiring retailers to accept gift cards during bankruptcy and liquidation sales
- Requiring expiration dates and fees to be disclosed prominently

- Prohibiting pre-disclosures from being placed solely on the gift card
- Requiring permissible fees to be capped at \$1 per month
- Requiring gift cards to be redeemable for cash when \$5 or less remains on the card

To read DCA's complete list of gift card recommendations, call 311 or visit DCA online at [www.nyc.gov/consumers](http://www.nyc.gov/consumers).

DCA enforces the Consumer Protection Law and other related business laws throughout New York City. Ensuring a fair and vibrant marketplace for consumers and businesses, DCA licenses more than 71,000 businesses in 57 different industries. Through targeted outreach, partnerships with community and trade organizations, and informational materials, DCA educates consumers and businesses alike about their rights and responsibilities. DCA's Office of Financial Empowerment is the first municipal office of its kind in the nation with a mission to educate, empower and protect New Yorkers with low incomes. DCA's OFE administers a citywide network of Financial Empowerment Centers and other products and services that help these New Yorkers make the best use of their financial resources to move forward economically. For more information, call 311 or visit DCA online at [www.nyc.gov/consumers](http://www.nyc.gov/consumers).