



RESEARCH YOUR HOLIDAY SHOPPING OPTIONS

by Texas Attorney General Greg Abbott

WITH THE HOLIDAY SEASON APPROACHING, manufacturers and retailers are offering a variety of payment, rebate, and discount options as they strive to attract shoppers during difficult economic times. Though these offers can be especially attractive to families facing tight budgets, it is critical that buyers understand the details – and consequences of any financial arrangement.

Many retailers are advertising items for sale on layaway. Under this arrangement, customers agree to purchase an item, but do not immediately leave the store with their purchase. Instead, the store retains an item while the purchaser pays for it over an established period of time. Because the store retains possession of the purchase, no credit is required. As a result, layaway purchases may be increasingly prevalent in a credit-strapped economy.

Layaway can be particularly appealing to purchasers who do not have checking accounts or credit

cards. Unlike credit cards, layaway programs usually charge no interest on purchases.

Most layaway programs charge a fee for holding the purchase and require customers to pay the full purchase price within a certain time – which may last from 30 days to a year or more. If a customer is ultimately unable to afford the item, retailers will usually give a full refund, minus the layaway fee.

Since the purchases will be held at the store, layaway can also be useful to parents who want to keep their children from discovering Christmas gifts early.

Texans should carefully collect and save all records of their layaway or payment plan.

Manufacturers and retailers also are using mail-in rebates to entice shoppers. Under Texas law, a company offering a rebate must mail the rebate to the purchaser within a stated time period. If no time period is specified, the company must pay the rebate 30 days after receiving the rebate request. If a purchaser submits an improperly

completed rebate request within the appropriate time period, the company must either process the rebate as if it was properly completed or notify the purchaser that the rebate request was improperly submitted.

Texans seeking mail-in rebates should keep complete purchase records. Purchasers must follow the instructions on the rebate form carefully and submit all required documentation on time. In the event problems arise, purchasers seeking a rebate should keep a copy of all documents sent to the manufacturer or retailer.

Customers who do not receive their rebates or are otherwise concerned that a retailer has failed to fulfill a promise can file a complaint with the OAG. Complaints should include all relevant information about the vendor and should specifically state any concerns about misleading terms or conditions on rebate forms. Texans also can file a complaint with the Better Business Bureau and the Federal Trade Commission.

POINTS TO REMEMBER



HOLIDAY PURCHASING OPTIONS

When considering layaway:

- Be aware of any fees and payment deadlines.
- Read and keep records of any contracts.

To successfully claim a mail-in rebate:

- Keep close track of the date of purchase, the expiration date of the rebate offer, and the expiration date on the rebate check.
- Submit required paperwork in a timely fashion.
- Keep copies of the transaction for your own records.

To file a complaint:

OFFICE OF THE ATTORNEY GENERAL
(800) 252-8011

www.texasattorneygeneral.gov

BETTER BUSINESS BUREAU

www.bbb.org

FEDERAL TRADE COMMISSION

(877) 382-4357 • www.ftc.gov

For more information about this and other consumer topics, visit the Office of the Attorney General online at

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