

CONSUMER ADVISORY

December 2011

By Attorney General Tom Miller

Avoiding Holiday Headaches: Shopping Tips

'Tis the season to be jolly, but it's also the season to be cautious about spending your hard-earned money! With some effort, you'll find great shopping deals. But it also takes effort to make sure you know exactly what you're buying, whether the deal you found is truly a good one, and the rules for returns.

Before you buy, make sure it's a good product at a good price from a good seller. Is it a quality product or something that's simply cheap? Cheaper isn't always a better bargain! What do you know about the retailer – is this a store or website you trust? They're there to make the sale, but are they also willing to provide service? Before you buy, check around and make sure it's really a good product and a good deal.

Take your ads with you. If you're headed to a store, take the store's ad with you. Make sure the product and price match the ad.

Always keep receipts and paperwork! Most stores will not make refunds without a receipt, and many won't exchange without a proof of purchase. If you really think you need a service contract and end up paying for one, be sure to save the paperwork. (Find out more about service contracts at www.FTC.gov.)

Returns and layaways: Make sure you know a store's policy on returns or layaways before you make a purchase. Remember, there is no state law that requires stores to give a refund, exchange, or credit for merchandise that is returned or taken off layaway (unless the store advertises that it accepts such returns, or unless an article is defective or was misrepresented.) Also keep in mind that Iowa's three-day-right-to-cancel law only applies to door-to-door sales, or sales made away from a seller's usual place of business. In short, most refund policies are up to individual retailers.

Buying online: Be sure to shop with reputable companies. Make sure the seller lists an address or toll-free number, just in case you have a problem. Be sure purchases are refundable in case you are not satisfied. Get all details on shipping and handling fees, refund and return policies, and complaint procedures. Print out and keep records of your purchase. Use only "secure" websites (secure websites utilize an "<https://>" prefix for their website address, with the "s" signifying that it's secure). Pay by credit card – avoid using a debit card or check, so you can dispute the bill and withhold payment if necessary. Be wary of online classified ads and auctions, and avoid providing financial information directly to classified ad sellers.

Mail orders: If you order gifts by mail, by telephone or through a website, you have certain protections. Federal law requires the seller to ship your purchase within 30 days, unless the offer or ad specifies a later date. If there is a delay, the seller must notify you, allow you a chance to cancel your order, and send a full refund if you choose to cancel. Don't send cash or use your debit card – a credit card gives you the most safeguards.

Gift certificates and gift cards: If you're thinking of buying a gift certificate or gift card, check the retailer's policy. Find out if the retailer will give a credit or cash return if the purchase price is less than the value of the gift certificate, and any other terms the store places on the certificates. Money on a gift card cannot expire for at least five years from the date of purchase, or from the last date you loaded any additional funds onto the card. Retailers can charge inactivity fees only after a card has been inactive for at least one year, and they can charge you only once per month. The card's expiration date must be clearly disclosed on the card, and fees must be clearly disclosed on the card or its packaging.

To file a complaint or get more information, contact the Iowa Attorney General's Consumer Protection Division, Hoover Bldg., Des Moines, IA 50319. Call 515-281-5926, or outside Des Moines call, toll-free, 1-888-777-4590. Our website is: www.IowaAttorneyGeneral.gov.

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