

# New NYS Refund Law

Effective December 1, 2009



Given the numerous economic challenges currently affecting New Yorkers, the State has provided greater support and marketplace protections for consumers in the form of enhanced store refund policies.

The amendments to General Business Law §§ 217 and 218 codify honorable merchant policies, and improve consumer protections by requiring all merchants to post their return policies.

It also provides a consumer with redress in the event a merchant does not post its return policy. The law, signed by Governor Paterson, affords the consumer in that case a full refund within 30 days from the date of purchase, when the consumer presents unused or undamaged goods, with a receipt, for return.



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Dec 2010

## The New Law:

- Requires merchants to affirmatively post a refund policy. It removes the exemption which provides that merchants who do not post a refund policy are assumed to provide cash refunds for 20 days from the date of purchase, and thus are absolved from any posting requirement.
- Permits customers to return any item for a full refund for up to 30 days from the date of purchase should the retailer fail to post a refund policy, as long as the buyer can verify the date of purchase with a receipt or any other purchase verification tool utilized by the merchant.
- Requires retailers to make a written copy of the store's refund policies available upon request and to post such availability on its refund policy signage.
- Updates refund policy signage to provide consumers with advance notice if the return of any purchase is subject to fees, and the exact dollar or percentage amount of such fees. This includes disclosing restocking fees, which the law defines as "any amount charged by a seller for accepting returned merchandise and issuing a refund or credit."

