

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1982.

Approved June 1, 1982.

CHAPTER 797

(Senate Bill 332)

AN ACT concerning

Retail Credit Accounts - Indirect Charges

FOR the purpose of prohibiting the imposition of indirect charges through wholesalers or retailers of petroleum products in certain circumstances on retail credit accounts; defining a certain term; and generally relating to retail credit accounts.

BY repealing and reenacting, with amendments,

Article - Commercial Law
Section 12-506(h)
Annotated Code of Maryland
(1975 Volume and 1981 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland read(s) as follows:

Article - Commercial Law

12-506.

(h) (1) A seller or financial institution that imposes a finance charge in connection with an open end account may not directly or indirectly contract for, charge, or receive from the buyer any finance charge, membership or other fee, discount, fine, commission, charge, brokerage, or other consideration on that account in excess of that permitted by this section.

(2) If a credit card plan allows for both purchases and the extension of cash advances, the charges prohibited by this section may not be imposed as to either function.

(3) (1) THE CHARGES PROHIBITED BY THIS SECTION ARE INCLUDE, BUT ARE NOT LIMITED TO, CHARGES INDIRECTLY IMPOSED ON THE BUYER WHEN THE SELLER OR FINANCIAL INSTITUTION IMPOSES SUCH CHARGES ON A WHOLESALER OR RETAILER