

## 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) (I) 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 WHILE THE SELLER OR FINANCIAL INSTITUTION IS ALSO A PRODUCER, REFINER, DISTRIBUTOR, MANUFACTURER, TRANSPORTER, OR MARKETER OF ~~THE-GOODS-OR-SERVICES~~ PETROLEUM PRODUCTS SOLD ON CREDIT TO THE BUYER, OR WHEN THE SELLER OR FINANCIAL INSTITUTION OWNS A FEE SIMPLE OR LEASEHOLD INTEREST IN THE REAL PROPERTY FROM WHICH ~~THE--GOODS--OR--SERVICES~~ PETROLEUM PRODUCTS ARE SOLD ON CREDIT TO THE BUYER.

(II) THE PROVISIONS OF SUBPARAGRAPH (I) OF THIS PARAGRAPH DO NOT PROHIBIT THE SELLER OR FINANCIAL INSTITUTION FROM IMPOSING THE CHARGES DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH FOR PURCHASES OF NONPETROLEUM PRODUCTS.