STATUTORY INSTRUMENTS

1983 No. 110

CONSUMER CREDIT

The Consumer Credit (Advertisements and Quotations) (Amendment) Regulations 1983

Made - - - - -	*4th February* 1983
Laid before Parliament	*11th February* 1983
Coming into Operation	*4th March* 1983

The Secretary of State, in exercise of powers conferred on him by sections 44, 52, 151(1), 152 and 182(2) of the Consumer Credit Act 1974**(a)** and of all other powers enabling him in that behalf, hereby makes the following Regulations:—

1. These Regulations may be cited as the Consumer Credit (Advertisements and Quotations) (Amendment) Regulations 1983 and shall come into operation on 4th March 1983.

2. The Consumer Credit (Advertisements) Regulations 1980**(b)** are hereby amended in Schedule 2 as follows:—

(*a*) in paragraph 9(1), by the substitution for the words "and (3)" of the words ", (3) and (4)"; and

(*b*) by the insertion in paragraph 9 after sub-paragraph (3) of the following sub-paragraph—

"(4) In the case of an advertisement relating to an agreement under which interest on the credit is of a type to which section 26 of, and Schedule 7 to, the Finance Act 1982**(c)** apply (which make provision for the deduction of income tax at the basic rate from certain loan interest):—

(*a*) a further statement indicating whether the amount of any repayment mentioned in the advertisement is calculated before or after the deduction of tax; and

(*b*) where such an advertisement indicates the amounts of repayments both before and after deduction of tax, and in one or other such case not all the repayments would be equal for the purposes of sub-paragraph (1) above, a statement indicating the lowest and the highest amounts and the exact year or other period in respect of which each such amount is to be paid, unless such information is included in the statement required under sub-paragraph (1) above."

(a) 1974 c. 39.
(b) S.I. 1980/54, to which there are amendments not relevant to these Regulations.
(c) 1982 c. 39.

3. The Consumer Credit (Quotations) Regulations 1980**(a)** are hereby amended in Schedule 1 as follows:—

(*a*) In paragraph 14(1), by the substitution for the words "and (3)" of the words ", (3) and (4)"; and

(*b*) by the insertion in paragraph 14 after sub-paragraph (3) of the following sub-paragraph:—

"(4) In the case of a quotation relating to an agreement under which interest on the credit is of a type to which section 26 of, and Schedule 7 to, the Finance Act 1982 apply (which make provision for the deduction of income tax at the basic rate from certain loan interest)—

(*a*) a further statement indicating whether the amount of any repayment mentioned in the quotation is calculated before or after the deduction of tax; and

(*b*) where such a quotation indicates the amounts of repayments both before and after deduction of tax, and in one or other such case not all the repayments would be equal for the purposes of sub-paragraph (1) above, a statement indicating the lowest and the highest amounts and the exact year or other period in respect of which each such amount is to be paid, unless such information is included in the statement required under sub-paragraph (1) above."

Gerard Vaughan,
Minister of State,
Department of Trade.

4th February 1983.

(a) S.I. 1980/55, to which there are amendments not relevant to these Regulations.

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These Regulations amend those parts of the Consumer Credit (Advertisements) Regulations 1980 and the Consumer Credit (Quotations) Regulations 1980 which require creditors to give a statement indicating the amount of each repayment in certain advertisements and quotations relating to credit.

The effect of these amendments is to require that, where the advertisement or quotation relates to an agreement under which the interest on the credit is of a type to which the tax deduction scheme introduced by the Finance Act 1982 applies, then:—

(*a*) the creditor must include a statement indicating whether the amount of any repayment mentioned in the advertisement or quotation is calculated before or after the deduction of tax; and

(*b*) where, voluntarily, any repayment figures are stated both before and after the deduction of tax, and on one or other of those bases not all of the figures are equal, the creditor must either give all the figures or indicate the highest and lowest figures together with the year or other period to which they respectively relate.

SI 1983/110
ISBN 0-11-036110-5

