

Fair Credit Billing Act (FCBA)

Fair Credit Billing

<http://www.ftc.gov/bcp/online/pubs/credit/fcb.htm>

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Fair Credit Billing Act, 15 U.S.C. § 1666 (1974)

The law applies to "open end" credit accounts, such as credit cards, revolving charge accounts - such as department store accounts - and overdraft checking accounts. It does not cover installment contracts - loans or extensions of credit you repay on a fixed schedule.

The FCBA settlement procedures apply only to disputes about "billing errors." For example:

- unauthorized charges. Federal law limits your responsibility for unauthorized charges to \$50;
- charges that list the wrong date or amount;
- charges for goods and services you didn't accept or weren't delivered as agreed;
- math errors;
- failure to post payments and other credits, such as returns;
- failure to send bills to your current address - provided you supply a change of address at least 20 days before the billing period ends; and
- charges for which you ask for an explanation, or written proof of purchase along with a claimed error or request for clarification.

To take advantage of the law's consumer protections, you must:

- write to the creditor at the address given for "billing inquiries," not the address for sending your payments, and include your name, address, account number and a description of the billing error.
- send your letter so that it reaches the creditor within 60 days after the first bill containing the error was mailed to you.

The creditor must acknowledge your complaint in writing within 30 days after receiving it, unless the problem has been resolved. The creditor must resolve the dispute within two billing cycles (but not more than 90 days) after receiving your letter.