

## Fact sheet

# Office of Fair Trading

## National gift card laws

### Sellers

The Australian Consumer Law (ACL) has been amended to include national gift card laws around expiry dates and post-purchase fees.

These gift card laws came into effect on 1 November 2019.

Because the ACL applies nationally, sellers nationwide have the same gift card rules they must comply with.

With the exception of a few limited use gift cards and vouchers, all gift cards sold in Australia on or after 1 November 2019 must abide by these new laws.

This factsheet has been designed to help you understand and comply with your obligations under this law. Please note: it does not include all of your obligations. More information can be found on the OFT website [www.qld.gov.au/fairtrading](http://www.qld.gov.au/fairtrading).

### Minimum three-year expiry period

Gift cards must be sold with at least a three-year expiry period, unless an exemption applies. The date the gift card is purchased by the consumer is the day the expiry period commences.

Gift cards can be valid for a period longer than three years if you wish. The ACL does not set a maximum time period that can be applied, only that the minimum is three years.

If a gift card sold after 1 November 2019 has an expiry period of less than three years displayed, this date is invalid and the consumer will be entitled to the mandatory three-year period.

### Expiry details to be clearly displayed

So it is clear to your customers when a gift card they purchase from you will expire, the ACL requires that **either**:

- The expiry date is clearly displayed on the gift card. For example: *"This gift card expires on 1 July 2025"*

OR

- The expiry period is displayed on the gift card along with the date it was supplied to the purchaser. For example: *"This card expires three years after supply. Supply date: 1 July 2022"*

If an earlier expiry date is displayed, it will be invalid and the consumer will be entitled to the mandatory three year period.

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## No post-purchase fees

It is illegal to charge gift card holders post-purchase fees or administration fees that will reduce the value of a gift card. These fees include activation, account-keeping and balance enquiry fees.

You can, however, still charge fees you would normally charge as part of a transaction, such as overseas transaction fees, booking fees, or fees charged to replace lost, stolen or damaged cards.

You can also charge an upfront fee for the purchase of gift cards. Whether a consumer chooses to accept that fee and proceed with the purchase will be up to them.

## Cards excluded from the new rules

In some limited circumstances certain cards may be excluded from the new rules, including cards or vouchers that are:

- for goods or services available for a limited time where the card or voucher expires at the end of that period (e.g. entry to a concert or museum exhibition)
- supplied to a purchaser of goods or services as part of a temporary marketing promotion (e.g. a \$50 wine voucher valid for one month that is mailed to a consumer as a bonus with a purchased item, that was not part of the purchase offer)
- given free of charge for promotional purposes (e.g. a local shopping centre has a one-day marketing promotion where each visitor to the centre on that day is handed a \$20 gift card that is valid for use at any store in the centre for that day only)
- sold for a particular good or service that is below the market value of that good or service (e.g. a genuine discount like a \$50 card for a salon service valued at \$100)
- supplied as part of an employee rewards program
- given as a bonus in connection with a purchase of a good or service for use in the same business (e.g. customer loyalty programs).

## Breaches and Penalties

It is a breach of the ACL for a trader to sell gift cards that do not meet these rules and penalties can be imposed for not complying. The maximum penalty for breaching these laws is \$30,000 if the seller is a body corporate or \$6,000 for individuals.

## Additional information

Website: [www.qld.gov.au/fairtrading](http://www.qld.gov.au/fairtrading)  
[consumerlaw.gov.au/new-gift-card-laws](http://consumerlaw.gov.au/new-gift-card-laws)

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