

Article - Commercial Law

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§12-501.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Account” means a retail credit account.
- (c) (1) “Buyer” means a person who, under a retail credit account transaction, buys goods or obtains services from a seller not principally for the purpose of resale.
 - (2) “Buyer” includes:
 - (i) A person who enters into a prior agreement with a financial institution by which the financial institution agrees to pay the debts of the buyer as they accrue at various retail sellers designated by the financial institution, in consideration of which the buyer pays to the financial institution the cash sale price and the finance charge; and
 - (ii) A prospective buyer.
- (d) (1) “Cash sale price” means the price for which the seller would sell or furnish to the buyer the goods or services which are the subject of a retail credit account if the sale were a sale for cash and not under the account.
 - (2) “Cash sale price” includes any taxes and charges for delivery, installation, servicing, repair, alteration, or any improvement which is supplied or rendered in connection with the sale.
- (e) “Closed end account” means a retail credit account in which the finance charge is computed in advance and assessed on the original unpaid balance of the purchase price.
- (f) “Finance charge” means the amount, however expressed, in excess of the cash sale price which a seller or financial institution charges a buyer for the privilege of purchasing goods or services in a retail credit account transaction.
- (g) (1) “Financial institution” means a person who enters into an agreement with a buyer by which the person agrees to extend credit to the buyer and apply it as directed by him by use of a credit card which the person issues to the buyer.
 - (2) “Financial institution” includes an incorporated bank, savings institution, and trust company.
- (h) (1) “Goods” means any tangible personal property purchased primarily for personal, family, or household purposes, including any certificate or coupon exchangeable for it.

(2) “Goods” includes goods which at or after the time of sale are affixed to real property or become a part of it, whether or not severable from it.

(3) “Goods” does not include any:

(i) Tangible personal property purchased primarily for industrial, commercial, or agricultural purposes;

(ii) Motor vehicle, as defined in the State Motor Vehicle Law; or

(iii) Home improvement, as defined in the Maryland Home Improvement Law, or any transaction under that law.

(i) “Holder” means a person, including a seller and a financial institution, entitled to enforce a retail credit account against a buyer.

(j) “Open end account” means a retail credit account in which the finance charge is assessed on the outstanding balances from month to month.

(k) “Person” includes an individual, corporation, business trust, statutory trust, estate, trust, partnership, association, two or more persons having a joint or common interest, or any other legal or commercial entity.

(l) (1) “Retail credit account” means an agreement or transaction for the retail sale of goods or services, which is negotiated or entered into and pursuant to which a time sale price is established.

(2) “Retail credit account” includes credit card financing by a financial institution.

(m) “Seller” means a person regularly engaged in the business of selling goods to retail buyers.

(n) (1) “Services” means work, labor, and services furnished primarily for personal, family, or household purposes.

(2) “Services” includes:

(i) Services furnished in connection with the improvement of real property; and

(ii) Contributions to a “charitable organization” as defined in the Maryland Charitable Solicitations Act.

(3) “Services” does not include any:

(i) Work, labor, or service furnished primarily for industrial, commercial, or agricultural purposes; or

(ii) Service for which the tariff, rate, charge, cost, or expense, including in each instance the time sale price, is required by law to be filed with or approved by the United States, the State, or any department, division, commission, or agency of either.

(o) “Time sale price” means the total of the cash sale price and the amount of the finance charge.

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