



With the help of SCBOS, businesses can file consumer credit grantor notification, maximum rate schedules and motor vehicle closing fees

online. SCBOS saves time and money by streamlining access to information, helping business owners determine exactly which documents they are required to file, and expediting registrations and fee payments. SCDCA is one of five agencies partnered in SCBOS and was also one of the first to join.

Visit www.scbos.sc.gov to file online.

Filing forms may also be downloaded from our website.

How does SCDCA use the filing information?

Filing with the Department helps SCDCA assess the availability of consumer credit. It also aids consumers in comparing different interest rates and closing fees.

SC Department of Consumer Affairs

2221 Devine Street •
Suite 200 •
Columbia SC, 29250 •
800.922.1594 •
803.734.4253 •
www.consumer.sc.gov •

SC Department of Consumer Affairs
2221 Devine Street, STE 200
PO Box 5246
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CONSUMER CREDIT

A Guide for Business



- *Credit Grantor Notification*
- *Maximum Rate Schedules*
- *Motor Vehicle Closing Fees*



CONSUMER CREDIT: A Guide for Business

Consumer Grantor Notification

Persons whose *annual gross (sales or loans) volume of business exceeds \$150,000* must file consumer grantor notification with the South Carolina Department of Consumer Affairs (“SCDCA”) if they:

- (1) Make consumer credit sales, leases or loans or engage in rent-to-own transactions*;
- (2) Take assignment of payments that arise from consumer credit sales, leases, loans or rent-to-own transactions and engage in direct collection of these payments from debtors**;
- or
- (3) Take assignment of payments that arise from consumer credit sales, leases, loans or rent-to-own transactions and enforce rights against debtors**.

*For item (1), if the business does not have a location in South Carolina, a notification filing is required for the main office, wherever located.

** For items (2) and (3), filing is only required for businesses located in South Carolina.

The *filing fee is \$120 per location*. You must file within 30 days of commencing business in the state, and *on or before January 31st each year thereafter*.

**\$150,000
or more**

Maximum Rate Schedule

**18%
A P R**

Creditors intending to charge an annual finance charge in excess of 18% in a consumer credit sale or consumer loan transaction must also file a maximum rate schedule (“MRS”) with SCDCA.

The *filing fee is \$40 per location* and must be submitted before such transactions are made, and thereafter, *on or before January 31st* each year. The MRS must be posted in a conspicuous location in the business.

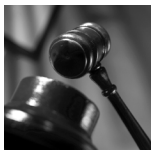
EXAMPLES OF CONSUMER CREDIT INCLUDE:

installment plans, regular and revolving charge accounts, consumer loans, as well as leases of goods for more than four months.

Generally, when a consumer finances a good or service and leaves the business with that good or the expectation of receiving a service, the transaction is a *credit sale*.

When the consumer leaves the business with a check or monetary proceeds, even if the consumer will use the proceeds to make a purchase, the transaction is a *consumer loan*.

Non-Compliance



Failure to file a consumer credit grantor notification, maximum rate schedule or motor vehicle closing fee may result in fines or rollback/refund of excess charges. Still unsure if you need to file one of these? Call SCDCA @ **803.734.4253** for more guidance. You can also visit our Business/Industry Information page @ **www.consumer.sc.gov** for more information.

Motor Vehicle Closing Fees

The law requires *every motor vehicle dealer* charging closing fees (also referred to as doc fees or closing costs) on a motor vehicle sales contract to file a motor vehicle disclosure form and pay a *\$10 registration fee*. Businesses must file *each state fiscal year*.

The closing fee must be included in the advertised price of the motor vehicle, disclosed on the sales contract, and displayed in a conspicuous location in the dealership.

The law does not require the dealer to charge the fee; it just requires that they file with the Department before implementing one.

