



CHRIS CHRISTIE
Governor
KIM GUADAGNO
Lt. Governor

State of New Jersey
OFFICE OF THE STATE TREASURER
PO BOX 002
TRENTON NJ 08625-0002

ANDREW P. SIDAMON-ERISTOFF
State Treasurer

TREASURY ANNOUNCEMENT
FY 2013-01

Notice of Cash Balance Redemption Provision of P.L. 2012, c. 14
Related to Stored Value Cards

In the interest of sound administration of Title 46 of the Revised Statutes of the State of New Jersey, and pursuant to the discretion granted to the State Treasurer in P.L. 2012, c.14, the Office of the State Treasurer is releasing the guidance herein to better inform the business community of their statutory obligations regarding the cash balance redemption provision related to Stored Value Cards.

Beginning September 1, 2012, the merchant, retailer, or other entity redeeming Stored Value Cards issued by merchants or retailers as gift cards or gift certificates with a residual value of less than \$5 must refund, at the owner's request, the balance in cash to the owner.

In serving the best interest of the consumer, merchants or retailers may choose to display a notice which references the cash balance redemption option available to card holders.

Exemptions

The cash balance redemption provision does not apply to the following:

Non-reloadable Stored Value Cards with an initial value of \$5 or less, cards issued for returned merchandise, general purpose reloadable cards, and network branded Stored Value Cards;

Stored Value Cards issued under a promotional, incentive, rewards, customer loyalty, or a charitable program for which no direct monetary consideration is paid by the owner;

Stored Value Cards donated or sold below face value to a nonprofit or charitable organization or to an educational organization;

Stored Value Cards that are not purchased but provided in lieu of a refund for returned merchandise;

Stored Value Cards redeemable for admission to events or venues at a particular location or group of affiliated locations, or for goods or services in conjunction with admission to those events or venues, or both, at the event or venue or at specific locations affiliated with and in geographic proximity to the event or venue; or

Stored Value Cards that can be redeemed at multiple merchants that are not under vendor common control, including but not limited to, network-branded Stored Value Cards.