



CONSUMER PROTECTION (GIFT VOUCHERS ACT) 2019: INFORMATION NOTE

What the Act provides

Gift voucher contracts must contain a term –

- that the gift voucher is subject to an expiry date of at least five years from the date on which the contract was entered into, or
- that the gift voucher is not subject to an expiry date.

A trader who enters into a gift voucher contract must specify on the gift voucher itself or on a durable medium, such as paper or e-mail, supplied with the gift voucher –

- the expiry date of the gift voucher, or
- the date on which the gift voucher contract was entered into and the period during which the gift voucher is redeemable, or
- that the gift voucher is not subject to an expiry date.

Gift voucher contracts must not contain a term requiring the full value of a gift voucher to be redeemed in a single transaction.

Where a person redeems part of the value of a gift voucher in a transaction and the balance remaining on the gift voucher is €1 or more and the gift voucher contract contains a term preventing the remaining balance from being redeemed in another transaction -

- the trader must redeem the remaining balance in cash, by electronic transfer or by means of another gift voucher,
- where the remaining balance on a gift voucher is reimbursed by means of another gift voucher, the second gift voucher must have an expiry date no earlier than that of the original gift voucher and must have a value equal to that of the remaining balance on the original gift voucher.

Where a gift voucher contract contains a term requiring the gift voucher to be redeemed by a named person –

- the named person may redeem the gift voucher regardless of a difference between that person's name as it appears on the gift voucher and as it appears on the person's passport, driving licence or other form of personal identification, and
- the named person's name as it appears on the gift voucher may be amended or changed without a fee being charged.



Gift voucher contracts must not contain a term that places a limit on the number of gift vouchers that a person can redeem in one transaction.

Where a gift voucher contract provides for the replacement by the trader of a lost or stolen gift voucher, the replacement gift voucher must have an expiry date that is no earlier than the expiry date of the lost or stolen gift voucher.

Where a person who is a party to a gift voucher contract with a trader gives, sells or transfers the gift voucher to another person, that other person shall be entitled to exercise all rights under the gift voucher contract on the same terms as the original party to the contract.

What the Act covers

The Act applies to gift vouchers defined ‘as any voucher, coupon, or other document or instrument, including in electronic form, that is intended to be used as a substitute for money in the payment, in whole or in part, for goods or services or otherwise exchanged for goods or services.’

What the Act does not cover

The Act does not apply to coupons, vouchers, documents or other instruments, including in electronic form –

- that are redeemable only for the purposes of the purchase at a discounted price of specified goods or specified services from a specified trader or traders on a specified date or for a specified period of limited duration not exceeding 3 months,
- that are supplied under a customer loyalty scheme,
- that are supplied in connection with a promotional scheme connected to the purchase of specified goods or specified services,
- that are supplied by way of a refund for goods returned to a trader,
- that are redeemable only in exchange for goods or services relating to telephone services, internet services, fuel, electricity, heating or any other utility,
- cheques, bank drafts or postal orders,
- that constitute electronic money within the meaning of the European Communities (Electronic Money) Regulations 2011,
- that are not supplied, marketed, provided or otherwise made available to be given as a gift.



The only one of these exclusions that covers an instrument which can be a gift voucher is that for electronic money. Some electronic money instruments are gift vouchers, the best known being the One4All and FromMe2You gift cards. These vouchers are excluded from the scope of the Act for two reasons. First, the application of the Act to this type of voucher would serve no practical purpose. The European Union (Electronic Money) Regulations provide that an electronic money issuer must, at the request of the electronic money holder, redeem at any time and at par value the monetary value of the electronic money held. This means that there can be no expiry date for an electronic money gift voucher as long as a balance remains on the voucher. The other provisions of the Act are similarly of no application or relevance to electronic money gift vouchers. Given the nature of electronic money instruments, there can be no question of a contract term requiring the full value of an electronic money gift voucher to be redeemed in a single transaction. There is nothing to suggest either that contracts for electronic money gift vouchers contain terms requiring them to be redeemed by a named person or limiting the number of vouchers that can be used in a transaction. Secondly, electronic money instruments, including gift vouchers, are subject to extensive regulation under a separate regulatory regime for which the Central Bank has responsibility. It is not good regulatory practice, or helpful to consumers and businesses, to have the same product subject to two sets of regulatory rules and separate regulators, particularly where there is no need for such a second set of rules.

While the other instruments excluded from the scope of the Act are intended, like gift vouchers, to be used as a substitute for money in the payment for goods or services, they are not gift vouchers and would not be seen to be gift vouchers by either consumers or businesses. These instruments are generally bought by persons for their own use, in many cases their immediate or short-term use. For some of these instruments such as discount coupons redeemable for a period not exceeding 3 months, vouchers supplied under the loyalty schemes operated by retailers and service providers, or credit notes provided to consumers on a goodwill basis, a five-year expiry period would be inappropriate and not in the interests of consumers. Some of the excluded instruments such as pre-paid electricity and gas cards have no expiry date. While others such as postal orders have an expiry date, regulation of these instruments is not a matter for legislation on gift vouchers, and in some cases would be a matter for Ministers other than the Minister for Business, Enterprise and Innovation.

When the Act apply will apply

The Act will apply to gift voucher contracts entered into on or after 2 December 2019.



How the Act will be enforced

The Act's provisions form a new Part 4A of the Consumer Protection Act 2007. Their enforcement will be the responsibility of the Competition and Consumer Protection Commission (CCPC). In investigating contraventions of the provisions, authorised officers of the CCPC will have recourse to the powers set out in the Competition and Consumer Protection Act 2014. In taking enforcement action against alleged contraventions of the provisions, the CCPC will have recourse to the various enforcement options in Part 5 of the Consumer Protection Act, including prohibition orders, undertakings, compliance notices and criminal proceedings. Contraventions of the requirement on traders to specify the expiry date or expiry period of gift vouchers may also be the subject of a fixed payment notice.