

TRUTH IN LENDING ACT



Public Law 90-321
90th Congress, S. 5
May 29, 1968

An Act

To safeguard the consumer in connection with the utilization of credit by requiring full disclosure of the terms and conditions of finance charges in credit transactions or in offers to extend credit; by restricting the garnishment of wages; and by creating the National Commission on Consumer Finance to study and make recommendations on the need for further regulation of the consumer finance industry; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

§ 1. Short title of entire Act

Consumer Credit
Protection Act.

This Act may be cited as the Consumer Credit Protection Act.

TITLE I—CONSUMER CREDIT COST DISCLOSURE

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CHAPTER 1—GENERAL PROVISIONS

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§ 101. Short title

This title may be cited as the Truth in Lending Act.

Citation of
title.

§ 102. Findings and declaration of purpose

The Congress finds that economic stabilization would be enhanced and the competition among the various financial institutions and other firms engaged in the extension of consumer credit would be strengthened by the informed use of credit. The informed use of credit results from an awareness of the cost thereof by consumers. It is the purpose of this title to assure a meaningful disclosure of credit terms so that the consumer will be able to compare more readily the various credit terms available to him and avoid the uninformed use of credit.

82 STAT. 146
82 STAT. 147

§ 103. Definitions and rules of construction

- (a) The definitions and rules of construction set forth in this section are applicable for the purposes of this title.
- (b) The term "Board" refers to the Board of Governors of the Federal Reserve System.
- (c) The term "organization" means a corporation, government or governmental subdivision or agency, trust, estate, partnership, cooperative, or association.
- (d) The term "person" means a natural person or an organization.
- (e) The term "credit" means the right granted by a creditor to a debtor to defer payment of debt or to incur debt and defer its payment.
- (f) The term "creditor" refers only to creditors who regularly extend, or arrange for the extension of, credit for which the payment of