

CREDIT CARD BILLING ERRORS

"Plastic money" is a convenient way for many consumers to make major purchases and do everyday shopping. But the convenience may turn into confusion when your billing statements arrive. The Fair Credit Billing Act governs how credit card companies must handle problems such as billing errors, disputed charges and the unauthorized use of your credit card.

If you find a billing error, you must notify the credit card company in writing within 60 days after the bill was mailed to you. In your letter, include your name and account number. Describe the error and explain why you believe it is an error. Include the amount in question and the date of the billing.

The credit card company must acknowledge your letter within 30 days. Within 90 days, after conducting an investigation, the company must correct the mistake or explain why the bill is correct. During the time the company is investigating the reported error, you do not have to pay the amount in question.

If you are not satisfied with the quality of goods and services that you charged to a credit card, first try to work out the problem with the merchant. If this fails, then you might be able to get a refund in the form of a chargeback on your credit card. To qualify for a chargeback, the sale must have been for more than \$50 and must have taken place in your state or within 100 miles of your home.

Write to your credit card issuer's customer service department and request a chargeback under the special rules of the Fair Credit Billing Act. Include your account number, the specific amount of the bill you are declining to pay, and what you have done to settle the dispute. You are allowed to withhold payment only on the disputed amount remaining at the time you first told the merchant or credit card issuer about the problem.

If you win the dispute, you won't have to pay for the merchandise and the charge will not reappear on your bill. If your request for a chargeback is denied, you may be charged interest on the unpaid balance.