

5 KEY Gifting and Rebating

CONSIDERATIONS

Is it an inducement or rebate?
Answer these questions:

1

Inducement
to purchase?

Would receiving this item, meal, offer, etc. be something that could encourage someone to make a purchase?

Benefit

is stated in the contract?

Has something of value been given, paid for, allowed, or offered that was not in the contract?

2

Gambling
and lottery laws?

Is there a raffle, lottery, or other game of chance involved? If so, state gambling and lottery laws must also be taken into consideration.

3

If the answer is yes, then chances are it would be considered an inducement or rebate.

But is it allowable?

Anti-

discrimination?

Is the offer available to the general public or is it limited in some way?

Maybe it's only previous customers or those who have obtained a quote?

4

Cash/cash equivalents

What's being offered? A gift card? A meal at a high-priced restaurant? A promotional item such as a pen, calendar, or tote bag?

5

It depends!

Compare your answers to 4 and 5 with the rules and regulations of the particular state(s) involved.