

New York Implements “Pink Tax” Ban

Article By:

Phyllis H. Marcus

Christopher J. Dufek

On October 1, 2020, New York state implemented a ban on businesses charging a “pink tax” for their products or services. The new law prohibits any individual or entity, including retailers, suppliers, manufacturers or distributors, from charging a different price for two “substantially similar” goods or services based on the gender for whom the goods or services are marketed.

According to a [New York State press release](#), “Substantially similar goods” are defined as two products that exhibit little difference in the materials used in production, intended use, functional design and features, and brand. “Goods” include any consumer product used, bought, or rendered primarily for personal, family or household purposes. “Substantially similar services” are defined as two services that exhibit little difference in the amount of time delivering, difficulty, and cost in providing the service. “Services” include any consumer services used, bought or rendered primarily for personal, family or household purposes.

Examples of banned “pink taxes” provided in the press release include:

- the same children’s swimming pool product brand and dimensions offered in pink at \$89.99 and blue at \$69.99;
- dry cleaning a woman’s suit jacket for \$12 and a man’s suit jacket for \$8.

The new law also gives consumers the right to request written price lists from any business that provides a service. The New York State Division of Consumer Protection has already come out and encouraged consumers to exercise their new rights and ask providers for price lists before seeking their services.

The [New York State press release](#) outlined six factors that will be considered when determining whether someone selling a product or providing a service has violated the new law:

- The amount of time it took to manufacture such goods or provide such services;
- The difficulty in manufacturing such goods or offering such services;

- The cost incurred in manufacturing such goods or offering such services;
- The labor used in manufacturing such goods or providing such services;
- The materials used in manufacturing such goods or providing such services; and
- Any other gender-neutral reason for having increased the cost of such goods or services.

Penalties for violating this new law include court ordered enjoinder of such sales, restitution to consumers, up to a \$250 fine for the first violation, and up to \$500 fine for any subsequent violations.

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