



Louisiana Motor Vehicle Dealer Advertising Compliance Guide

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Introduction

This guide serves as a comprehensive reference for Louisiana new motor vehicle dealers on state and federal advertising laws. It is designed to help dealers understand and apply the rules governing vehicle advertising in Louisiana. However, it should not be construed as legal advice. All dealers are strongly encouraged to consult their own legal counsel when questions arise.

In this guide, “advertising” encompasses all forms of media—newspapers, television, radio, direct mail, websites, social media, and other channels. These media are used to promote the sale or lease of vehicles or related services. Regardless of whether a third party produces the content, each dealer is ultimately responsible for the accuracy and compliance of their dealership’s advertising.

Advertising in Louisiana is subject to both state and federal oversight. Under Louisiana Revised Statutes 32:1253(E), the Louisiana Motor Vehicle Commission (LMVC) has the authority to promulgate rules and regulations enforcing the Louisiana Motor Vehicle Franchise Law. Acting under this authority, the LMVC has established detailed advertising rules, codified in the Louisiana Administrative Code, Title 46, Part V. In addition to these state-specific requirements, all advertisements must comply with Federal Trade Commission (FTC) truth-in-advertising standards. The FTC also has independent enforcement authority. This allows the agency to act against false or deceptive advertising practices, ensuring uniform protection for consumers nationwide.



Using This Guide

This guide provides plain-language explanations of the LMVC's advertising rules (Title 46, Part V, Chapter 7), along with relevant FTC guidance and the LMVC's most recent bulletins and interpretations. Dealers should always consult the LMVC's official website for the latest updates, as new bulletins may clarify or expand upon existing requirements.

As a best practice, dealers are encouraged to:

- Designate a compliance officer to oversee advertising practices.
- Conduct quarterly advertising audits to identify and address potential issues.
- Provide regular staff training on both state and federal advertising requirements.

In addition, compliance tools such as [ComplyAuto Guardian](#) can help dealerships scan advertising materials and detect potential violations before publication.

Regulatory Oversight and Enforcement

- **Louisiana Motor Vehicle Commission (LMVC).** The LMVC regulates motor vehicle advertising through rules adopted under Title 46, Part V of the Louisiana Administrative Code. It has the authority to sanction dealers for false or misleading advertisements under Louisiana Revised Statutes 32:1261. Any violation of the LMVC's advertising rules is considered a violation of the dealer licensing law and may subject the dealer to disciplinary action.¹ Penalties can include fines and even license suspension or revocation.²
- **Federal Trade Commission (FTC).** The FTC enforces federal truth-in-advertising standards and has independent authority to take action against false or deceptive advertising practices nationwide. Dealers must ensure their ads comply with both LMVC rules and FTC requirements.



- **Louisiana Attorney General – Public Protection Division.** The Attorney General shares concurrent jurisdiction with the LMVC through the Louisiana Unfair Trade Practices Act (LUTPA), codified at Louisiana Revised Statutes 51:1401 et seq. LUTPA broadly prohibits unfair or deceptive practices in trade or commerce, including those by automobile dealerships. Importantly, the statute does not exempt dealers regulated by the LMVC, making its provisions applicable across the industry. The Public Protection Division within the Attorney General's Office is specifically tasked with protecting consumers from unfair or deceptive trade practices. The Attorney General may seek injunctive relief, restitution, and civil penalties of up to \$5,000.³
- **Private Enforcement under LUTPA.** In addition to government action, private plaintiffs may bring lawsuits under LUTPA, seeking actual damages, treble damages for knowing violations, and recovery of attorney's fees and costs.⁴

In sum, the LMVC may impose sanctions for false or misleading advertising under Louisiana Revised Statutes 32:1260 and 32:1261. However, that authority does not diminish either the FTC's oversight or the Attorney General's independent enforcement powers under LUTPA.

1. Truthful Advertising: General Standards

All advertising must be honest and not misleading. The LMVC prohibits any advertising that is false, deceptive, unfair, or misleading in any way.⁵ This is a catch-all provision prohibiting any statement or claim that could mislead a reasonable consumer. Even if a specific practice isn't listed as forbidden in the rules, if it's deceptive, it's illegal.

Always ask yourself: "Would an average customer understand this ad in a way that matches reality?" **If not, revise it.**

Dealers are legally responsible for the promises made in their ads, whether intentional or not. To stay out of trouble with both consumers and regulators, your ads must tell the full story. They should be written in plain language and avoid misleading omissions or confusing terms. The principles below will help you meet that standard:

- **No material omissions.** If your ad highlights a low price, a special incentive, or favorable terms, you must clearly disclose any important conditions or limitations. If consumers would need certain information to understand the true cost or availability of the deal, that information must be included up front, not hidden in fine print or buried in a footnote.⁶
- **No confusing or misleading language.** Your ads should be written in clear, everyday terms that the average consumer can easily understand. Avoid industry jargon, abbreviations that aren't common knowledge, and language that's likely to mislead. Disclosures must be "clear and conspicuous" which means they should stand out, not blend in.⁷



Avoid:

- Material omissions
- Tiny disclaimers
- Confusing language
- Bait-and-switch tactics

- **No bait-and-switch tactics.** The LMVC defines “bait” advertising as any practice where a consumer is lured in by certain terms, only to be refused those terms or switched to a more expensive offer.⁸ This includes advertising a vehicle at a specific price, payment, or financing term and then claiming it’s no longer available or insisting the offer only applies with undisclosed conditions.⁹ The FTC enforces federal truth-in-advertising rules, including its own bait advertising rule.¹⁰ As a result, dealers must draft ads to withstand scrutiny from all regulators, not just the LMVC.

Why this matters: Truthful advertising is the foundation of consumer trust. Misleading or deceptive statements not only damage your reputation but also expose your dealership to fines, penalties, and lawsuits. The rules in this section help ensure your ads are accurate, transparent, and defensible if reviewed by regulators.

2. Dealer Name and License Identification

Always advertise under your licensed dealership name. Dealers may only advertise under the name on their franchise agreement and LMVC dealer license. For example, if your licensed dealership name is “ABC Motors, LLC,” don’t run ads as “ABC Auto Superstore” or any other alias.¹¹

Tip: Whenever possible, include your dealership’s city or location in advertisements. While this is not strictly required under LMVC advertising regulations, doing so reinforces that the ad originates from your licensed location and, more importantly, makes it easier for consumers to find and connect with you.

If you mention being an “authorized” dealer for a brand, you must actually hold that franchise. The rule is clear: “The term ‘authorized dealer’ or similar shall not be used unless the advertising dealer holds both a franchise and an LMVC license for that line-make.”¹² So only franchisees can call themselves things like “Your Ford Authorized Dealer.” Used-car-only dealers cannot imply they are factory-authorized for new cars.

Why this matters: Consumers rely on dealership names and licenses to know who they are doing business with. Using unapproved names or implying authorization you do not have can confuse buyers and misrepresent your credentials. Staying consistent with your licensed name builds credibility and avoids regulatory violations.

3. Clarity in Ad Layout and Disclosures

The design and layout of an ad must not mislead consumers. The law requires that “[t]he layout, headlines, illustrations, or type size … shall not convey or permit an erroneous or misleading impression as to which vehicle(s) are advertised at what price.”¹³ In practice, this means:

- **Match images to offers:** If you show a picture of a loaded luxury model but quote a price for a base model, that’s misleading.¹⁴ The LMVC requires any illustration must be “substantially the same” as the vehicle advertised.¹⁵ Use photos, where possible, of the actual advertised vehicle.
- **Align prices with models:** Clearly indicate which vehicle each price refers to. For example, if you list multiple stock numbers/prices, don’t put one low price in huge print next to a flashy car image that isn’t actually available at that price.
- **Prominent disclaimers:** Any necessary qualification of an offer must be stated clearly and conspicuously so consumers can’t miss it.¹⁶ The FTC also enforces the “clear and conspicuous” standard: if a disclosure is needed to prevent deception, it should be unavoidable and easy to understand.¹⁷

Consider the four Ps of clear disclosure: Presentation, Placement, Proximity, and Prominence.¹⁸

Example: Your ad says: “SUV available for just \$299/month!” But that price is only available with \$4,000 due at signing.

To comply with the four Ps:

- **Presentation:** The \$4,000 due at signing should be written in easy-to-read font, not in tiny print or faint gray text.
- **Placement:** It should be placed near the \$299/month offer, not buried at the bottom of the ad.
- **Proximity:** The disclosure should be close enough that a consumer sees it at the same time as the main offer, not after scrolling or flipping a page.
- **Prominence:** It should be bold enough or otherwise formatted to draw attention, not lost in a paragraph of other disclaimers.



The 4 Ps:

- Presentation
- Placement
- Proximity
- Prominence

For broadcast media, the law is very clear: required disclosures must be made in the audio portion of the ad.¹⁹ It is not enough to flash text briefly on screen or bury a disclaimer in fine print. Credit advertisements, like special annual percentage rate (APR) deals, cash-back offers, and low-monthly-payment lease promotions, on television and radio must state the triggering disclosures clearly in the audio. The FTC has enforced these provisions against dealers,²⁰ making clear that consumers must be able to hear the key terms just as plainly as they see the headline offer.

Why this matters: The way an ad looks is just as important as the words it uses. A confusing layout, tiny disclaimers, or mismatched images can mislead consumers even if the text is accurate. Regulators expect disclosures to be prominent and unavoidable so buyers can make fully informed decisions.



4. Vehicle Availability and Stock Requirements

The LMVC prohibits dealers from advertising vehicles that are not currently in their inventory or possession. Limited exceptions apply in cases such as dealer trades or special factory orders. However, these exceptions are allowed only if the vehicle can be obtained promptly **and** the ad clearly discloses that fact.²¹ Below are the key guidelines as it relates to vehicle availability:

A. Stock on hand (New Vehicles)

You may advertise a specific new vehicle or model line only if:

- The vehicle (or at least one unit of the same year/make/model/trim) is currently in your inventory at the time the advertisement appears; or
- You have a bona fide arrangement (not a sham) with the manufacturer or distributor to obtain the vehicle for the consumer, and the ad clearly discloses that the vehicle is not on your lot.

In practice, disclaimers like “Incoming unit: available by order” or “Vehicle will be delivered from manufacturer on request” may satisfy requirement (b). However, if you omit such a disclaimer, the LMVC will presume that the vehicle is on-site and available for immediate sale.



B. "Only X at this price"

If you advertise a specific price for a vehicle, you must either (1) have a reasonable number of units available at that price to meet expected consumer response, or (2) clearly disclose the quantity available. For example, if you run a large ad stating "2025 Sedans: \$19,999," the LMVC expects you to stock enough units to meet anticipated demand or include a clear disclaimer such as "only 2 available at this price." If no price is advertised, the LMVC does not require a specific stock quantity disclosure. Dealers may lawfully use general, nonpriced advertising to promote a model even if certain configurations are not immediately in stock. However, the advertisement must not mislead consumers into believing a specific unit is available when it is not.

If the advertised price applies to only one specific vehicle, the ad must also identify that unit by stock number or VIN. This is aimed at protecting against bait-and-switch tactics, where dealers advertise one low-priced vehicle that is unavailable when the consumer arrives.²²

C. Used Vehicles: Ownership or Transparency Required

In general, dealers may advertise a used vehicle *only* if the dealership already owns the vehicle and has it in its possession at the time the advertisement appears.²³ This means you may **not** advertise:

- A trade-in expected to arrive in the future;
- A vehicle still subject to a lease return; or
- A unit pending purchase at auction.

This rule is intended to prevent misleading advertisements and to ensure that consumers are only presented with vehicles that are actually available for sale on your lot.

The LMVC recognizes two limited exceptions:

1. Factory-Owned or Off-Lease Units Not Yet Delivered

If the vehicle is still with the manufacturer, distributor, or their finance arm (e.g., a factory program vehicle or off-lease unit), you may advertise it only if:

- You clearly disclose that it's not currently on your lot (e.g., "Available from manufacturer stock"); and
- The vehicle can be delivered to your dealership within 10 business days.

2. Inventory at a Commonly Owned Affiliate Store

If the used vehicle is located at another dealership under the same majority ownership, you may advertise it only if:

- You disclose that the vehicle is at an affiliated location;
- You name the specific store (for example, "at our Lafayette location"); and
- The vehicle can be transferred to your location within 10 business days.

D. General brand advertising

The LMVC's inventory and availability rules do not prohibit manufacturer or dealer association advertising that generally promotes a brand or sales event.²⁴ For example, it is acceptable for an Original Equipment Manufacturer (OEM) or regional group to run an ad stating, "2024 Brand X Deals – See Your Local Dealer." These ads do not reference specific inventory or dealer pricing.

Why this matters: Advertising vehicles you do not have—or only have in very limited numbers—creates false expectations and invites bait-and-switch complaints. These rules protect consumers from wasted trips and ensure that advertised offers reflect real, available inventory. Dealers who misstate availability risk serious penalties.



5. Required Vehicle Identification in Ads

Louisiana law requires that any advertisement for a specific vehicle must include the vehicle's stock number or VIN, especially if only one unit is being offered. This ensures clarity about exactly which vehicle the advertised price applies to. The LMVC requires any advertisement for a vehicle to include the following information:

- Model year;
- Make;
- Model line and style or model designation; and
- If the vehicle is a used, demonstrator, or a factory executive/official vehicle.²⁵

If you're advertising the price of a base model, do not use images or descriptions of a higher-end version. Doing so creates a misleading impression. Any photos, trim details, or feature descriptions in the ad must accurately represent the specific vehicle and configuration being offered at the advertised price.

A. New vs. Used vs. Demo vs. Courtesy Transportation Unit (CTUs)

Dealers must clearly indicate if the vehicle is used, a demonstrator, courtesy transportation unit (CTU) or a factory executive/official vehicle.²⁶ If a vehicle is truly new, no additional label is required. However, any vehicle that is not brand-new must be clearly identified as such—for example, as "Used," "Pre-Owned," "CTU," or "Demonstrator." The LMVC requires if you advertise a CTU, a demo or factory executive/official vehicle, you must clearly identify it as such in the ad. And remember, only a franchised dealer for that make can sell demos/exec vehicles of that make (e.g., a Ford store can sell Ford program cars; a non-Ford dealer should not be advertising Ford executive cars).²⁷ The LMVC advises that the mileage be disclosed on these vehicles - Demos and courtesy transportation units.



B. "Fully Loaded" Claims

Avoid vague terms like "fully equipped," "loaded," or "fully loaded" in any advertisement that includes a price unless you also list the major optional equipment that justifies the claim.²⁸ Generic statements like "Fully loaded – \$25,000" are considered misleading without context. If you use such language, back it up with specifics (e.g., "Loaded – includes leather seats, navigation, and panoramic sunroof").

To stay compliant and avoid confusion, it's best to skip subjective descriptions altogether and instead list the actual features or the name of the factory-installed package (e.g., "Includes Premium Tech Package").²⁹



Required in every specific vehicle ad:

- Year
- Make
- Model
- If the vehicle is used, demonstrator or factory/executive vehicle

C. Pictures and Stock Images

Images in your ad must accurately reflect the vehicle being offered. If you're advertising a red base-model pickup, don't use a photo of a lifted off-road edition with premium wheels and accessories. Use actual photos or accurate manufacturer images that match the trim level and features of the advertised vehicle.

This applies especially to stock photos in online ads. Always ensure they represent the correct configuration. For example, if the actual car has basic wheels and no fog lights, the photo shouldn't show upgraded rims and extra lighting features.

Visual misrepresentation is just as deceptive as misleading pricing or language and may be considered a violation of advertising law.

Why this matters: Clear vehicle identification prevents misunderstandings about which unit is being offered and at what price. Without details like VIN, stock number, or trim level, consumers may assume an ad applies to a different vehicle than intended. Accurate identification keeps your ads honest and avoids charges of misrepresentation.



6. Price Advertising: Cash Price, No Hidden Add-Ons

When you advertise a price for a vehicle, it must reflect the actual cash price which is the amount any consumer could walk in and pay, with no hidden add-ons or conditions. This means that the advertised price must include all charges the dealer controls (e.g., add-ons, prep fees, or protection packages).

The only allowable exclusions are tax, title, license (TTL), and other government-imposed fees. The advertised price must be available to everyone, not just to consumers who qualify for special programs or use dealer financing. If a consumer sees a price in your ad, they should be able to pay that amount in cash without any other conditions.³⁰

A. The Advertised Price Must Be Available to Everyone — No Exceptions

The advertised price must be offered to “any and all members of the buying public” and not just select groups. That means no fine-print conditions that limit the price to college graduates, loyalty program members, in-house financing consumers, or those trading in a vehicle. If a price is advertised, every consumer walking in the door should be eligible, regardless of how they pay or who they are.³¹

What can be excluded: Under Louisiana law, the advertised price must reflect the full cash selling price of the vehicle, with only a few narrowly defined exclusions permitted.³² Specifically, the LMVC allows dealers to exclude only the following from an advertised price:

- State and local sales and use taxes;
- Title and license fees; and
- Dealer documentation fees, such as notary, doc fee, or electronic filing/convenience fees.

All other charges—such as freight/destination fees, dealer prep, and any dealer-installed or optional equipment—must be included in the advertised price. For new vehicles, keep in mind that MSRP already includes freight, so dealers may not add it on top of an advertised price later.

For used vehicles, advertise the actual asking price *plus TTL*.³³

Dealers may exclude their doc fee from the advertised price, but they must clearly disclose that it is additional (e.g., "Price + TTL & doc fee").

Louisiana Revised Statutes § 6:969.18 governs dealer documentation and compliance fees. Permissible charges are capped at:

- \$35 for documentation related to a vehicle credit transaction.
- *\$425 for compliance, titling, and related tasks.
 - The \$425 safe harbor shall be adjusted annually in accordance with the Consumer Price Index for All Urban Consumers, with adjustments capped at 3%. The Division of Administration will determine the new maximum fee, the Legislative Auditor will verify it, and the LMVC will publish the updated amount on its website by February 1 of each year, or sooner if the calculation is finalized earlier.
 - The fee is fully negotiable.
- \$15 for notary services.
- \$25 for equity transfer.³⁴

Each fee must be fully disclosed in writing on the sales contract, bill of sale, or buyer's order, with the following inconspicuous statement: "This fee is authorized by R.S. 6:969.18(A)(2). It is not a mandatory state fee. The seller, who may also be an extender of credit, may charge the fee for credit investigation, compliance with federal and state law, preparation of the documents necessary to perfect or satisfy a lien upon the objects sold, and any other functions incidental to the titling of the retail sale."³⁵

While Louisiana law does not require advertisements to disclose the exact dollar amount of the documentation fee (covering compliance, titling, and related tasks), FTC truth-in-advertising principles recommend at minimum noting that such a fee applies to ensure consumers are not misled.³⁶



B. No Hidden Add-Ons or Phony Discounts

Any dealer-installed option or package that's already on the vehicle—and for which you plan to charge—must be included in the advertised price and clearly disclosed. For example, if you install \$1,295 wheels on every truck and add that to the final selling price, you may not advertise the base price without referencing those upgrades. Omitting required add-ons gives a false impression of the vehicle's cost and violates the full-price advertising rule.³⁷

C. No price qualifiers

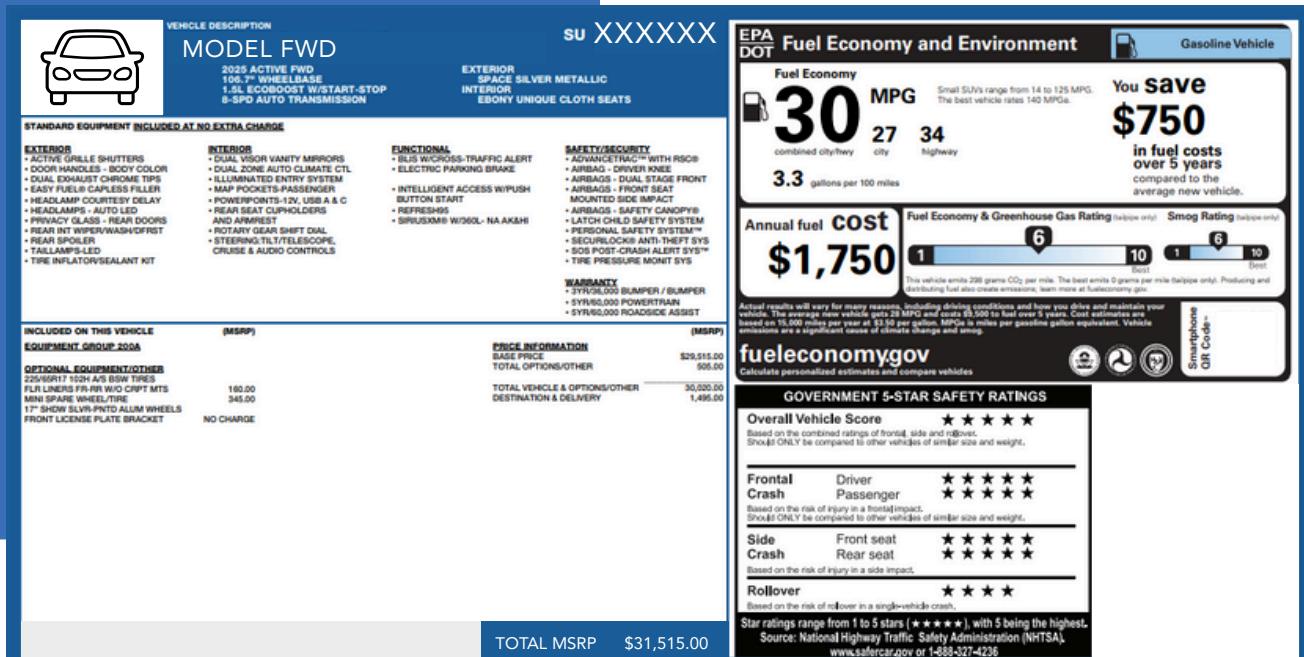
The LMVC expressly forbids tying the advertised price to special conditions. You may NOT advertise a price and then in small print say "with trade-in" or "after \$ down" or "with dealer financing." Such qualifiers are prohibited.³⁸ For example:

- "\$15,000 with trade-in" – No. You must show the price that anyone would pay without a trade. You can certainly run a separate promotion like "\$2,000 trade-in bonus," but you cannot net that into an advertised vehicle price.
- "\$25,000 after \$5,000 cash down" – No. If you want to illustrate payments, that goes under finance advertising (with full disclosures). But the vehicle's advertised price must be the actual selling price, not "assuming you put \$X down" scenario.
- "\$20,000 if financed with us" – No. You can't require dealer-arranged financing for an advertised price. If a consumer shows up with cash or their own financing, they must be able to get the car for the advertised price. Offering special APR or rebates from the manufacturer that require financing is okay, but then you're advertising those finance terms, not the vehicle's price. The fundamental cash price must be available regardless.



No price qualifiers allowed:

- With trade
- After \$5k down
- With dealer financing



D. Manufacturer Advertised Price (MSRP ads)

If a manufacturer or distributor advertises a vehicle price, they also must include all costs **except TTL**, especially if they list local dealer names in the ad. As a dealer, if you participate in a co-op ad where the price is set by the factory, ensure they include freight, etc.

Chevrolet runs a regional Super Bowl spot during the broadcast in Louisiana markets. The creative comes from GM, but the ad ends with:

"Available now at your Louisiana Chevy Dealers! ABC Chevrolet, Baton Rouge; XYZ Chevrolet, New Orleans."

Manufacturers in local ads cannot exclude destination or prep – the law requires them included when dealer names are listed. While this is more on the OEM, it's good for dealers to know so you can flag any compliance issues in co-op advertising that might come back on your store.³⁹

Why this matters: The advertised price should be the real, walk-in cash price anyone can pay. Hidden add-ons, exclusions, or conditional discounts mislead customers and violate state and federal rules. By following these standards, you avoid accusations of false pricing and build trust with every shopper.

7. Rebates, Discounts, and “Free” Offers

Dealership ads often involve rebate savings, dealer discounts, and promotional offers like free items. Louisiana has detailed rules on how these must be presented to avoid deception.

A. Manufacturer Rebates and Dealer Discounts

If you advertise a rebate or discount in the price, it's important you do it in a very transparent way. The ad should list the original price (usually MSRP) and then the amounts of any rebates or discounts subtracted to arrive at the final price.⁴⁰ For example:

MSRP	\$30,000
Factory Rebate	(\$1,000)
Dealer Discount	(\$2,000)
Sale Price	\$27,000⁴¹

This format makes it clear how you got to the \$27,000 sale price. It's required that if you mention a rebate or cashback, the final full price must also be shown. Do not just say “\$27,000 after rebates” without indicating that the MSRP was \$30,000 and what the rebate amount was. Any advertised discount or rebate used in the price must be available to all consumers.⁴² The price can reflect universal incentives (manufacturer rebates that anyone who buys the car can receive, dealer markdowns, etc.). If there's an incentive that is restricted (like a loyalty rebate, military rebate, first-time buyer bonus, etc.), do not subtract it from your advertised price for all, but you can mention it separately.



B. Savings Claims and Discount Language

The LMVC imposes strict regulations on advertising “savings,” “discounts,” or similar pricing claims, particularly for new vehicles:

1. Savings Must Be Based on Actual MSRP or List Price

Any advertised savings (e.g., “Save \$5,000” or “\$5,000 off”) must reflect the difference between the dealer’s advertised selling price and the vehicle’s bona fide Manufacturer’s Suggested Retail Price (MSRP) as equipped from the factory. If the vehicle includes additional equipment installed by a distributor or converter, the applicable list price must include those additions. For automobiles, MSRP is typically the Monroney sticker price; for trucks and RVs, it may be a published suggested retail value. It is unlawful to compare your price to an inflated or fictitious number such as “market value,” a made-up “was” price, or any reference price not grounded in the actual MSRP or official list price. Dealers must be able to substantiate the savings claim with clear math.⁴³

2. “Up To” or Range-Based Savings Are Prohibited



Advertising phrases such as “Save up to \$4,000!” or “\$2,000–\$4,000 off!” are not permitted. The LMVC considers these inherently misleading, as they tend to exaggerate potential consumer benefit and may not apply to every vehicle. A specific discount may only be advertised for a specific vehicle or model, with clear identification. If discounts vary across units, each must be advertised separately or with one clearly identified example.⁴⁴

3. No “Savings” or “Discount” Advertising on Used Vehicles

The LMVC expressly prohibits advertising any kind of price reduction on used vehicles. Statements such as “Was \$15,000, now \$13,500” or “\$2,000 off” are not allowed in used car advertising. The LMVC’s position is that such “was” pricing is inherently arbitrary for used inventory and may mislead consumers. Dealers may advertise a fixed price for a used vehicle, or make a value comparison but may not imply a markdown from a higher former price.⁴⁵

4. Advertising "At Cost" or "Invoice"

Dealers may not advertise using the terms "invoice," "cost," "percent over/under cost or invoice," or "dollars over/under cost, invoice, or profit." Any reference suggesting the vehicle is sold at, below, or near dealer cost is prohibited.⁴⁶

5. Dealer-added Options

If you have installed factory-available options like OEM accessories (for example, OEM-branded bedliners, step rails, tonneau covers, wheel packages, or appearance kits) on a new vehicle and put an addendum sticker with those options' MSRP prices, the law does let you advertise a "discount" off the combined sticker (factory MSRP + addendum). Specifically, if the dealer-added items are official factory or distributor options with set prices and disclosed on your addendum, you may advertise a savings against that higher combined total. But you must list the added non-OEM options (for example, nitrogen-filled tires, paint sealant, window tint, alarms, key-fob protection, tire-and-wheel plans) in the ad and their value. For example: "MSRP \$30,000 + \$1,000 in dealer-installed OEM accessories (listed on addendum) = \$31,000. Sale \$29,500 – You save \$1,500 off total sticker." That would be permissible (it shows the items and math).

If an added item is not a factory option (e.g., an aftermarket alarm or non-OEM package), you cannot advertise a "savings" off the inflated price including that item. In short, you can only claim a discount off an addendum price if the addendum consisted of factory-backed options.⁴⁷ Aftermarket add-ons don't get that treatment – any discount you're giving on those, just factor into your price without calling it a "savings." This rule prevents a dealer from adding, say, \$5,000 of high-priced aftermarket add-ons and then claiming "\$5,000 off!" which would be misleading.



6. "Free" Merchandise or Offers

The word "FREE" is one of the most powerful—and heavily regulated—terms in advertising.⁴⁸ Both the FTC and the LMVC scrutinize its use closely and their positions are clear, if you advertise something as "free," it must truly be free, without hidden conditions or built-in costs.⁴⁹ If you advertise "free [item/service] with purchase," the item must be provided at no additional cost to the consumer.

You MAY NOT:

- Increase the vehicle's price to offset the cost of the "free" item.
- Sell the vehicle at a lower price without the item.

Example: If you usually sell a car for \$19,000, and now advertise "\$20,000 with FREE TV," you must not have increased the price to cover the cost of the TV.

Likewise, if an item is advertised as "free," the offer is deceptive if the dealer has increased the vehicle's price or otherwise recovered the cost of the "free" item. Consumers must be able to purchase the vehicle at its regular price without being charged, directly or indirectly, for the advertised item. In short, "free" cannot mean "included in the price", it must represent a genuine no-cost benefit.

If there are conditions to redeem the "free" item (e.g., "free oil changes for a year" or "free car wash with test drive"), those terms must be clearly and conspicuously disclosed in the ad. The word "free" should be immediately accompanied by a plain-language explanation of the offer.

FTC and the LMVC caution against running a "free" promotion so continuously that it becomes part of the regular offering. If an item or service is always included, it's no longer "free"—it's part of the price. The word "free" also applies to services, such as "free tire rotations for life" or "free state inspections." If such offers have limitations (e.g., only valid if service is done at your dealership), those must be clearly stated. Failure to honor these offers—or imposing hidden conditions—can trigger consumer complaints and regulatory scrutiny.

Why this matters: Rebates, discounts, and free promotions are attractive to buyers but heavily scrutinized by regulators. If they are not presented clearly, they can mislead consumers about the actual cost of a vehicle. This section ensures your promotions are transparent, accurate, and legally defensible.

7. Cash Offers

Any cash offer or anything convertible to cash that is funded by the dealer is prohibited. The LMVC interprets “cash offer” to include gift cards or similar incentives provided by the dealership.⁵⁰

8. Prohibited Advertising Statements

Avoid all of the following in advertising:

A. “Write Your Own Deal” / “Name Your Price”

You may not suggest the consumer can unilaterally dictate the sale price or terms. Claims like these imply guaranteed control over pricing, which is misleading and violates truth-in-advertising standards.⁵¹

B. “Everybody Financed” / “We Finance Anyone”⁵²

Statements guaranteeing credit regardless of creditworthiness are illegal. This includes “Guaranteed Credit,” “No One Refused,” “Bad Credit No Problem,” and even “All Applications Accepted.”⁵³

C. Unsubstantiated Superlatives

“#1 Dealer,” “Lowest Prices,” “Nobody Beats Our Deals”. Superlative claims must be objectively verified, and the source and date range must appear in equal prominence. “Lowest prices,” “best deals,” and “meet or beat” claims are prohibited.⁵⁴



Do Not Use:

- Name your price
- Everybody financed
- Guaranteed credit
- Lowest prices
- Fleet pricing for all
- Going out of business

D. "Fleet Pricing for Everyone" / "Supplier Pricing"

You may not advertise fleet, supplier, or inside pricing unless it's part of a legitimate OEM-sanctioned program open to all consumers. "Fleet prices" and "supplier's prices" are banned unless properly qualified.

E. "Factory Outlet" / "Factory Sale" / "Wholesale to Public"

Ads may not imply direct factory involvement or wholesale pricing unless the manufacturer is directly sponsoring the event.⁵⁵

F. Guaranteed Trade-In Amounts

You may not guarantee minimum trade values or claim "\$X over book" without inspecting the trade. These claims are considered misleading and are expressly prohibited.⁵⁶

G. "Double Discounts" / "Double Rebates"

Unless the manufacturer actually offers a second rebate, you may not use phrases like "Double the Rebate" or "Double Your Down Payment." Dealer-funded discounts must be clearly separated.⁵⁷

H. "Going Out of Business," "Bankruptcy Sale," etc.

You may not advertise liquidation-style sales unless you're legally closing the business and have complied with Louisiana's going-out-of-business sale requirements, including proper permits and notices.⁵⁸



I. "Auction" Terminology

Do not use the term "auction" unless the sale is a bona fide auction conducted by a licensed auctioneer. Terms like "public auction" or "auction pricing" are prohibited in regular retail ads.⁵⁹

Why this matters: Some advertising phrases are so inherently misleading that they are banned outright. Using them can trigger automatic regulatory action regardless of your intent. Avoiding these terms keeps your dealership in compliance and protects your credibility with customers.



9. Credit and Lease Advertising – Special Disclosure Requirements

Advertising finance terms or lease offers trigger additional legal requirements at both the state and federal level. The idea is that if you mention an enticing monthly payment or a low APR, consumers must be given the relevant details, so they're not misled. Here's what you need to know:

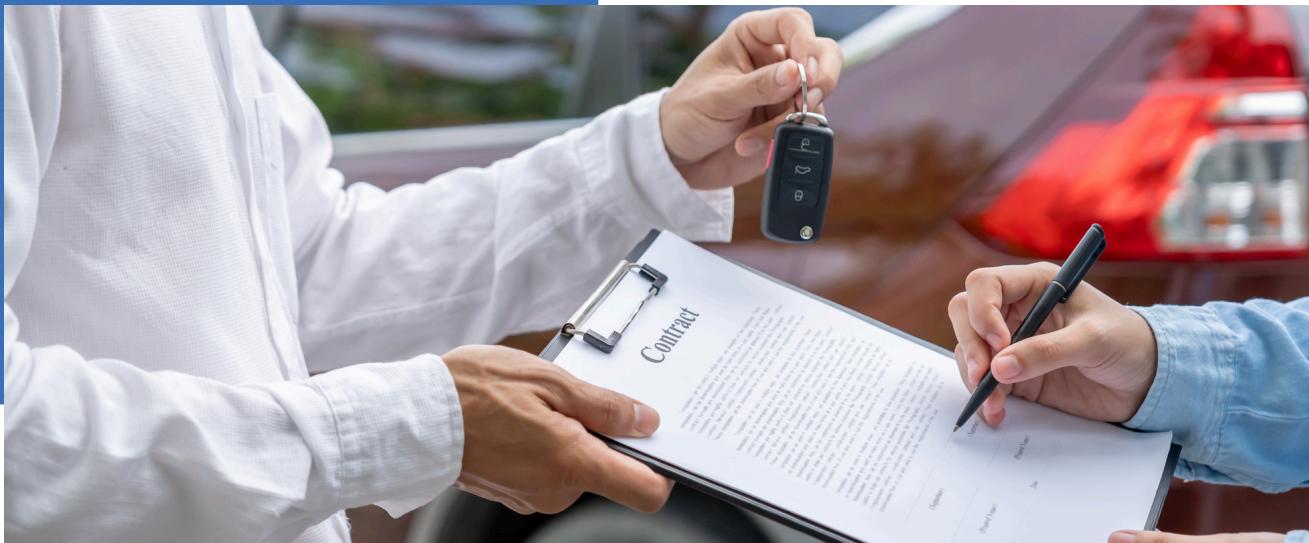
Vehicle Financing (Loans) – Truth in Lending Act (TILA) and Regulation Z

If you advertise credit terms for a vehicle purchase, such as payments or interest, TILA rules apply.⁶⁰ The LMVC has adopted the same disclosures as required by TILA. Certain terms, if stated, require full disclosure of other terms.

These trigger terms include:

- The amount of any down payment.
- The amount of any payment (monthly payment).
- The number of payments.
- The period (term) of repayment.
- The amount of any finance charge (interest).⁶¹

If your ad uses any one of those, you must also include all of the following in the ad:



A. Down Payment Amount or Percentage

If the advertisement references a down payment—such as “\$2,000 down” or “10% down”—that constitutes a triggering term under Regulation Z. Even a claim of \$0 down with a monthly payment advertised qualifies and must be treated as such. When a monthly payment is advertised, the required down payment (if any) must be clearly disclosed in conjunction with the payment amount.

B. Terms of Repayment

The advertisement must disclose the number of payments, the amount of each periodic payment, and the schedule of repayment. If a balloon payment applies, the ad must include both the amount and timing of the final payment. For example: “\$299 per month for 60 months” is compliant; if a balloon applies, the ad must state “and a final payment of \$5,000 due at month 60.”

C. Annual Percentage Rate (APR)

The advertisement must state the APR using that exact term—“Annual Percentage Rate”—along with the corresponding rate. If the APR is variable and subject to change during the loan term, that fact must be disclosed as well. In most vehicle financing scenarios, the APR is fixed.

D. No misleading payment ads

In addition to disclosing the required credit terms, dealers must ensure that any advertised payment is genuinely available to a typical consumer. If the payment is based on super-prime credit, the ad must clearly state that it applies only to well-qualified buyers. If the offer is a lease, it must not be presented as a purchase offer. Misrepresenting a lease as a purchase—either by omitting the lease reference or by placing that disclosure in fine print—constitutes deceptive advertising.

The FTC has brought enforcement actions against dealers that promoted exceptionally low monthly payments without clearly disclosing that the offer was a lease, required large amounts due at signing, or was available only to a narrow credit tier. Such practices violate federal law and invite regulatory scrutiny.⁶² To remain compliant, the advertised payment must be clearly and conspicuously paired with all material terms of the offer.

Vehicle Leasing – Consumer Leasing Act (Regulation M)

Advertising lease offers require strict compliance with both Louisiana law and the federal Consumer Leasing Act. Dealers must take care to avoid misleading consumers into confusing a lease with a purchase and must properly disclose all lease terms when any triggering terms are advertised.⁶³

A. Clearly Identify the Transaction as a Lease

It must be immediately clear to the consumer that the advertised offer is a lease, not a purchase. Any payment reference (e.g., "\$299/mo") must be directly and conspicuously accompanied by the word "lease." It is not sufficient to use vague language such as "Drive for \$____ per month," "alternative financing," or "smart payment plan." For radio and television, the spoken word "lease" must accompany the quoted payment in the audio, not merely in a visual or end-screen fine print. The word "lease" must appear near the payment in similar font, size, and prominence.⁶⁴

- Acceptable: "Lease for \$299/mo" or "\$299 per month lease."
- Not Acceptable: "\$299/mo*" with a small-print footnote saying "*lease offer."

B. Lease Trigger Terms and Required Disclosures

Like retail installment offers, lease advertisements are subject to trigger term rules.⁶⁵ If the ad states the amount of any payment (e.g., monthly lease payment), or the amount due at lease signing (e.g., capitalized cost reduction, down payment, security deposit), then additional disclosures are required, clearly and conspicuously.

You must disclose the following:

- That the transaction is a lease, clearly and near the payment amount; and
- The total amount due at lease signing or prior to delivery, including:
 - The first month's payment;
 - The capitalized cost reduction (down payment);
 - Acquisition fees, security deposits; and
 - Any other required charges payable upfront.

If taxes, title, registration, or other official fees are excluded, the ad must state that (e.g., "plus TTL").⁶⁶



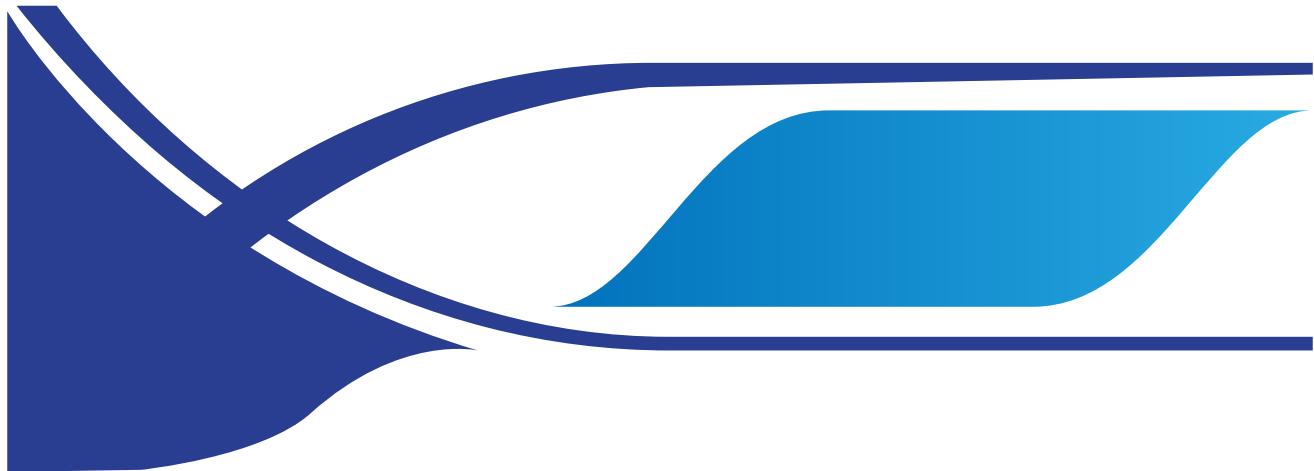
All disclosures must be presented clearly and conspicuously in a manner that the average consumer can read or hear and understand. Disclosures buried in fine print or legalese are not compliant.

Why this matters: Financing and lease offers are highly regulated because they directly affect how consumers understand long-term financial obligations. A simple "\$299/month" ad can be deceptive if it hides large down payments or balloon payments. Proper disclosures protect consumers and keep your dealership aligned with both state and federal law.

In addition to the federally required lease disclosures under Regulation M, the LMVC advises Louisiana dealers include the following items in all advertised lease offers for clarity and transparency:

- The **allowable mileage** under the lease (e.g., “10,000 miles per year”),
- The **cost per mile** for excess mileage, and
- The verbiage: **“Lessee may be charged for excessive wear and tear.”**

Including these terms helps ensure the advertisement presents a complete and accurate picture of the offer and minimizes potential consumer confusion or complaints.



10. Online and Digital Advertising: Applying Traditional Rules to Modern Formats

In today’s retail environment, much of a dealership’s advertising occurs online—whether through your website, third-party marketplaces, email, or social media. Regardless of the platform, the same legal requirements apply. Price quotes, payment offers, and promotional language used in digital media are subject to state advertising laws and federal consumer protection standards, just like print, radio, or TV. Dealers must monitor dynamic pricing feeds (such as automated inventory feeds to Facebook Marketplace or third-party sites). Errors in feeds do not excuse compliance violations as dealers remain responsible for the accuracy.

A. Internet Vehicle Pricing and Disclosures

Your dealership website, vehicle listing pages (VLPs), and vehicle detail pages (VDPs) are all considered advertising. If you list a price online, that price must comply with advertising rules.⁶⁷

B. FTC Requirements for Digital Disclosures

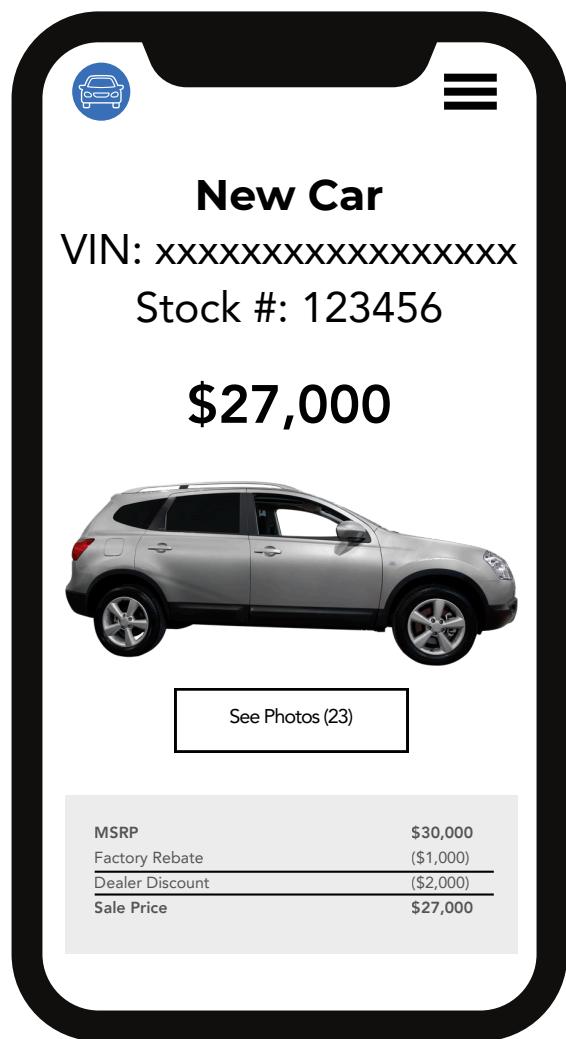
The FTC's .com Disclosures guidance makes clear that disclosures in online and mobile advertising must be clear and conspicuous, even on small screens.⁶⁸ Critical information cannot be buried in fine print, hidden in hover text, or linked off-page. If you post an offer on Facebook, Instagram, or a banner ad, you must include the key terms within the post or image itself, not in a separate Terms & Conditions link or in hard-to-read text at the bottom of a graphic.

C. Photos and OEM Images

When using OEM library images or stock photography, ensure the vehicle pictured matches the actual trim level and equipment. If the image may depict optional or unavailable features, it must include a disclaimer such as "Image for illustration purposes only". For used vehicles, actual photos are preferred and reduce the risk of misleading the consumer.⁶⁹

D. Endorsements, Testimonials, and Influencer Advertising

While not specific to motor vehicle regulations, the FTC Endorsement Guides apply to all consumer-facing advertising.⁷⁰ If you use customer testimonials in advertising, the experience must reflect typical results, or the advertisement must clearly disclose that the outcome is not typical. If an influencer, paid spokesperson, or dealership employee appears in a promotional post or video, that content must be clearly identified as advertising (e.g., using #Ad or a spoken disclosure). LMVC regulations prohibits the payment of compensation or anything of value to an unlicensed person for referring a prospective purchaser or otherwise assisting in the sale of a motor vehicle. The LMVC considers "refer-a-friend" or social-media referral programs, such as "Share this post and get \$100 if your friend buys", to constitute payment to an unlicensed salesperson, commonly called a bird dog. These arrangements are treated as violations of the licensing law even if the referral is made online or through social media.⁷¹



E. Email, Text, and Direct Messaging

Email blasts, direct messages, and even personalized quotes sent via CRM platforms are generally considered advertisements.⁷² If the message includes a price, payment, or promotional claim, all required disclosures must accompany the message. In addition, these communications are also subject to other rules covering consent, telemarketing and spam.

F. Third-Party Lead Sites

If you syndicate inventory to platforms like Autotrader, Cars.com, or CarGurus, ensure that the pricing and incentive data you transmit is compliant. Many of these platforms display rebates or discounts separately—if a rebate is conditional, it must be labeled clearly (e.g., “\$500 College Grad Rebate”). You are responsible for the accuracy of all advertising content, even when it appears on third-party sites.⁷³

Why this matters: Digital platforms are now the primary way many consumers shop for vehicles. Regulators apply the same standards to online, social media, and third-party listings as they do to TV, radio, and print. Dealers must take extra care to ensure digital ads, images, and influencer endorsements meet the same truth-in-advertising standards.



Same Rules Apply Online as Offline

- No hidden conditional rebates
- Disclosures must be visible on the post itself
- Images must show the correct trim

Endnotes

¹ La. Admin. Code tit. 46, pt. V, § 705(A) (2024).

² La. Rev. Stat. § 32:785(B)(6) (2024).

³ La. Rev. Stat. § 51:1407 (2024).

⁴ La. Rev. Stat. § 51:1409 (2024).

⁵ La. Admin. Code tit. 46, pt. V, § 703(A) (2024).

⁶ La. Admin. Code tit. 46, pt. V, § 719(A) (2024); Fed. Trade Comm'n, .com Disclosures: How to Make Effective Disclosures in Digital Advertising (2013), <https://www.ftc.gov/business-guidance/resources/com-disclosures-how-make-effective-disclosures-digital-advertising>.

⁷ La. Admin. Code tit. 46, pt. V, § 101 (2024); FTC Policy Statement on Deception, 103 F.T.C. 110, 174–84 (1984); and Fed. Trade Comm'n, .com Disclosures: How to Make Effective Disclosures in Digital Advertising (2013), <https://www.ftc.gov/business-guidance/resources/com-disclosures-how-make-effective-disclosures-digital-advertising>.

⁸ La. Admin. Code tit. 46, pt. V, § 101 (2024).

⁹ La. Admin. Code tit. 46, pt. V, § 753(A) (2024); 16 C.F.R. pt. 238 (2024).

¹⁰ 16 C.F.R. pt. 238 (2024).

¹¹ La. Admin. Code tit. 46, pt. V, § 701(A) (2024).

¹² La. Admin. Code tit. 46, pt. V, § 737(A) (2024).

¹³ La. Admin. Code tit. 46, pt. V, § 715(A) (2024).

¹⁴ La. Admin. Code tit. 46, pt. V, § 721(C) (2024).

¹⁵ La. Admin. Code tit. 46, pt. V, § 721(C) (2024).

¹⁶ La. Admin. Code tit. 46, pt. V, § 101 (2024).

¹⁷ FTC Policy Statement on Deception, 103 F.T.C. 110, 174–84 (1984).

¹⁸ Fed. Trade Comm'n, .com Disclosures: How to Make Effective Disclosures in Digital Advertising (2013), <https://www.ftc.gov/business-guidance/resources/com-disclosures-how-make-effective-disclosures-digital-advertising>.

¹⁹ 12 C.F.R. § 1026.24(i)(2) (2024).

²⁰ See *In re Billion Auto Inc.*, FTC File No. 112-3089 (May 2012):

<https://www.ftc.gov/sites/default/files/documents/cases/2012/05/120511billionautocmpt.pdf>.

²¹ La. Admin. Code tit. 46, pt. V, § 709(A)–(B) (2024).

²² La. Admin. Code tit. 46, pt. V, § 709(A) (2024).

²³ La. Admin. Code tit. 46, pt. V, § 709(B) (2024).

²⁴ La. Admin. Code tit. 46, pt. V, § 709(C) (2024).

²⁵ La. Admin. Code tit. 46, pt. V, § 721 (2024).

²⁶ La. Admin. Code tit. 46, pt. V, § 721 (2024).

²⁷ La. Admin. Code tit. 46, pt. V, § 729(A) (2024).

²⁸ La. Admin. Code tit. 46, pt. V, § 721(B) (2024).

²⁹ La. Admin. Code tit. 46, pt. V, § 721(B) (2024).

³⁰ La. Admin. Code tit. 46, pt. V, § 719(A) (2024).

Endnotes Continued

³¹ La. Admin. Code tit. 46, pt. V, § 719(A) (2024).

³² La. Admin. Code tit. 46, pt. V, § 719(A) (2024).

³³ La. Admin. Code tit. 46, pt. V, § 719(A)(1)–(2) (2024); La. Admin. Code tit. 46, pt. V, § 719(B) (2024).

³⁴ La. Rev. Stat. § 6:969.18 (2024).

³⁵ La. Rev. Stat. § 6:969.18(A)(2)(b) (2024).

³⁶ FTC Policy Statement on Deception, 103 F.T.C. 110, 174–84 (1984); Fed. Trade Comm'n, .com Disclosures: How to Make Effective Disclosures in Digital Advertising (2013), <https://www.ftc.gov/business-guidance/resources/com-disclosures-how-make-effective-disclosures-digital-advertising>.

³⁷ La. Admin. Code tit. 46, pt. V, § 719(A) (2024).

³⁸ La. Admin. Code tit. 46, pt. V, § 719(B) (2024).

³⁹ La. Admin. Code tit. 46, pt. V, § 717(A) (2024).

⁴⁰ La. Admin. Code tit. 46, pt. V, § 719(C) (2024); Fed. Trade Comm'n, .com Disclosures: How to Make Effective Disclosures in Digital Advertising (2013), <https://www.ftc.gov/business-guidance/resources/com-disclosures-how-make-effective-disclosures-digital-advertising>.

⁴¹ La. Admin. Code tit. 46, pt. V, § 719(C) (2024).

⁴² La. Admin. Code tit. 46, pt. V, § 719(D) (2024).

⁴³ La. Admin. Code tit. 46, pt. V, § 747(A)–(E) (2024).

⁴⁴ La. Admin. Code tit. 46, pt. V, § 747(D) (2024).

⁴⁵ La. Admin. Code tit. 46, pt. V, § 747(E) (2024).

⁴⁶ La. Admin. Code tit. 46, pt. V, § 723. (2024)

⁴⁷ La. Admin. Code tit. 46, pt. V, § 747(C)–(D) (2024).

⁴⁸ FTC Guides Concerning Use of the Word “Free” and Similar Representations, 16 C.F.R. § 251.1(c) (2024).

⁴⁹ La. Admin. Code tit. 46, pt. V, § 733 (2024).

⁵⁰ La. Admin. Code tit. 46, pt. V, § 735. (2024)bir

⁵¹ La. Admin. Code tit. 46, pt. V, § 713(A)(1) (2024).

⁵² La. Admin. Code tit. 46, pt. V, § 713(A)(2)(a) (2024).

⁵³ La. Admin. Code tit. 46, pt. V, § 713(A)(2)(b) (2024).

⁵⁴ La. Admin. Code tit. 46, pt. V, § 713(A)(7) (2024).

⁵⁵ La. Admin. Code tit. 46, pt. V, § 713(A)(4) (2024).

⁵⁶ La. Admin. Code tit. 46, pt. V, § 725 (2024).

⁵⁷ La. Admin. Code tit. 46, pt. V, § 713(A)(5) (2024).

⁵⁸ La. Admin. Code tit. 46, pt. V, § 759 (2024).

⁵⁹ La. Admin. Code tit. 46, pt. V, § 731 (2024).

⁶⁰ Truth in Lending Act (TILA), 15 U.S.C. §§ 1601–1666 (2024).

⁶¹ Regulation Z, 12 C.F.R. § 1026.24(d) (2024).

⁶² FTC v. Napleton Auto. Grp., LLC, No. 1:22-cv-01690 (N.D. Ill. 2022).

Endnotes Continued

⁶³ Consumer Leasing Act, 15 U.S.C. §§ 1667–1667f (2024); Regulation M, 12 C.F.R. §§ 1013.4(b)–(d) (2024).

⁶⁴ Consumer Leasing Act, 15 U.S.C. § 1667a (2024); Regulation M, 12 C.F.R. § 1013.4(b)(1) (2024); La. Admin. Code tit.46, pt. V, § 751(A)(2) (2024).

⁶⁵ La. Admin. Code tit.46, pt. V, § 751(A)(2) (2024).

⁶⁶ Consumer Leasing Act, 15 U.S.C. § 1667a (2024); Regulation M, 12 C.F.R. § 1013.4(b)–(c) (2024).

⁶⁷ La. Admin. Code tit.46, pt. V, § 719(A) (2024).

⁶⁸ Fed. Trade Comm'n, .com Disclosures: How to Make Effective Disclosures in Digital Advertising (2013), <https://www.ftc.gov/business-guidance/resources/com-disclosures-how-make-effective-disclosures-digital-advertising>.

⁶⁹ La. Admin. Code tit.46, pt. V, § 705 (2024).

⁷⁰ Fed. Trade Comm'n, Guides Concerning the Use of Endorsements and Testimonials in Advertising, 16 C.F.R. pt. 255 (2024).

⁷¹ La. Admin. Code tit. 46, pt. V, § 509 (2024).

⁷² Fed. Trade Comm'n, .com Disclosures: How to Make Effective Disclosures in Digital Advertising (2013), <https://www.ftc.gov/business-guidance/resources/com-disclosures-how-make-effective-disclosures-digital-advertising>.

⁷³ FTC Policy Statement on Deception, 103 F.T.C. 110, 174–84 (1984).



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