

RESCINDED

Transmittal – See OCC 2020-11

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Truth in Lending Act and Consumer Leasing Act: Dollar Thresholds for Exempt Consumer Credit and Lease Transactions

Effective July 21, 2011, the Dodd–Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd–Frank Act) amended the Truth in Lending Act (TILA)—implemented by Regulation Z—and the Consumer Leasing Act—implemented by Regulation M—to expand consumer protections by increasing the thresholds for exempt consumer credit transactions and consumer leases from \$25,000 to \$50,000. In addition, the Dodd–Frank Act provided that, on or after December 31, 2011, these dollar thresholds must be adjusted by any annual percentage change in the consumer price index.

The Board of Governors of the Federal Reserve System published adjusted exemption levels for Regulation Z¹ and Regulation M² on June 20, 2011. These adjustments reflect the annual percentage increase in the consumer price index that was in effect as of June 1, 2011. They will be effective January 1, 2012.

Based on these adjustments, the protections of the TILA and the Consumer Leasing Act generally will apply to consumer credit transactions and consumer leases of \$51,800 or less in 2012. Private education loans and loans secured by real property (such as mortgages), however, continue to be subject to the TILA regardless of the amount of the loan.

Please direct questions regarding this bulletin to your supervisory office or the Compliance Policy Department at (202) 649-5470.

Grovetta N. Gardineer
Deputy Comptroller for Compliance Policy

¹ 76 FR 35722 (June 20, 2011).

² 76 FR 35721 (June 20, 2011).

Related Links

- [Amendment to Regulation Z \(PDF\)](#)
- [Amendment to Regulation M \(PDF\)](#)

To

Chief Executive Officers and
Compliance Officers of All
National Banks and Federal
Savings Associations,
Department and Division Heads,
and All Examining Personnel