

HOUSE No. 1289

By Mr. Zimon of Boston (by request), petition of the Massachusetts Council of Retail Merchants for legislation to regulate removal and discontinuance sales and similar practices on the part of merchants and others. Mercantile Affairs.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Thirty-Eight.

AN ACT REGULATING CLOSING OUT SALES, DISCONTINUANCE OF BUSINESS SALES, REMOVAL SALES AND THE LIKE.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Chapter one hundred of the General Laws, as ap-
2 pearing in the Tercentenary Edition, is hereby
3 amended by adding the following new sections:—

4 *Section 18.* The stock of goods offered for sale by
5 any person, firm or corporation under the designa-
6 tion of Closing Out Sale, Going Out of Business Sale,
7 Discontinuance of Business Sale, Removal Sale or
8 any other description of like meaning, not involving
9 bankruptcy or insolvency, shall be held to include
10 only the goods, furniture, fixtures, jewelry, merchan-
11 dise or personal property actually in the stock or place
12 of business of the person, firm or corporation conduct-
13 ing the sale, at the opening of the said sale.

14 *Section 19.* It shall be unlawful to add to the said
15 stock by shipping in or bringing in goods, wares or

16 merchandise from other sources, unless such replen-
17 ishment is publicly advertised or clearly indicated
18 by items.

19 *Section 20.* Before commencing such a sale, the
20 person, firm or corporation conducting it shall file
21 with the clerk of the city or town in which the sale
22 is held a complete inventory of the items described
23 in section one and shall also file with the said clerk a
24 good and sufficient bond for the sum of one thousand
25 dollars guaranteeing compliance with the provisions
26 of this statute.

27 *Section 21.* On failing to comply with the provi-
28 sions of this statute or violating its terms, the of-
29 fender, on conviction thereof shall be punished by a
30 fine of not more than one hundred dollars or by im-
31 prisonment of not more than thirty days for every
32 such offence, and each day the sale or business is con-
33 ducted in violation of the terms of this statute shall
34 constitute a separate offence.

35 *Section 22.* No change of ownership of the goods,
36 wares, furniture, fixtures, jewelry, merchandise, or
37 personal property offered in such a sale and no change
38 of ownership of the capital stock of a corporation
39 conducting such a sale shall affect the status of the
40 sale as governed by this statute.