

Full title: Law 7/1996 of 15 January Regulating the Retail Trade. ("BOE" No. 15 of 17/01/1996) Entry into force: 06/02/1996. This version as amended by Royal Decree 24/2021 of November 2; provision in force May 28, 2022. This is the transposition of promotional pricing rules emanating from the [2019/2161](#) 'Omnibus' Directive which amended the Product Price Directive 98/6/EC.

Title of relevant sections: Only those clauses directly related to commercial communications are translated
Chapter III – Prices (Title I General Provisions) Articles 13 and 14
Chapter I – General Points (Title II Sales Promotion Activities) Articles 18-23
Chapter III – Sales Promotion Art. 27
Chapter V – Clearance/ Liquidation Sales Arts 30-31

TITLE I – GENERAL PROVISIONS

CHAPTER III – PRICES

Article 13 Freedom to set prices

1. From a general standpoint, selling prices of items will be freely set and offered in accordance with the provisions of legislation for the defence of free and fair competition, with the exceptions as established in special laws.
2. Notwithstanding this, the Government of the State, following a hearing with the affected sectors, will be able to fix prices or marketing margins of certain products, as well subject their changes to inspection or to prior administrative authorisation, in the following cases:
 - a) In the case of staple products (essentials) or strategic commodities.
 - b) In the case of goods produced or marketed under monopoly or under State Licence.
 - c) As a follow-up to policies regulating production or subsidies or other aid to specific companies or sectors.
 - d) Exceptionally and as long as the circumstances persist to warrant intervention, when, in a determined sector, a lack of competition is established, serious obstacles to the functioning of the market exist or stock shortages occur.

TITLE II – SALES PROMOTION ACTIVITIES

CHAPTER I: General Points

Article 18 Concept

1. Sales promotion activities shall include: discount sales, sale offers / sales promotions, stock clearance sales, liquidation sales, sales with free gifts, and direct sales offers.
2. The above-mentioned descriptions/ terms may only be used to announce sales that comply with the regulations laid down in the present Act, and it is expressly prohibited to use such descriptions or similar terms to advertise sales that do not conform to the relevant legal concept.
3. The use of the above-mentioned descriptions outside the regulatory context established hereunder for each type of sales promotion activity shall be considered unfair when in line with the circumstances set out in Article 5 of the Act on Unfair Competition.

URL of source: <https://www.boe.es/eli/es/l/1996/01/15/7/con>

4. Sales promotion activities can be combined in the same commercial establishment, except in the case of liquidation sales, provided there is adequate separation between them and the information requirements are met.

Article 19

Information

1. Announcements of sales to which the preceding article relates must specify the duration of the promotional activity and special rules applicable to them.
 2. When the special offers do not cover at least half of the items at the point of sale, the promotional practice in question cannot be advertised as a general measure, but must be referred exclusively to the items or sections that it actually affects.
 3. The offer of products with a prize or gift will be deemed misleading when the consumer does not actually or effectively receive what he/ she would have reasonably expected in view of the offer made.
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Article 20

Evidence of reduced prices

As amended by RD 24/2021 in force May 28, 2022

1. Whenever items with a reduced price are offered, the previous price together with the reduced price must be clearly shown on each one of them, except in the case of items offered for sale for the first time.

The previous price shall be understood to be the lowest that would have been applied to identical products in the preceding thirty days. For these purposes, the price that could have been applied, in order to reduce food waste, on identical products whose expiration or preferential consumption (best before) dates were about to lapse will not be taken into consideration.

2. Under no circumstances may the use of sale promotion activities be subject to the condition of the existence of a minimum or maximum percentage reduction.
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CHAPTER III - SALES PROMOTION

Article 27

Concept

1. Promotional sales include any sale not specifically covered under the other chapters of the present title, in which articles are sold at a lower price or under more favourable than normal terms, in order to promote the sale of certain products or attract customers to one or several shops or premises.

~~2. Items to be traded as promotional items may be purchased for this sole purpose, they can't be damaged or of a lower quality than the same products intended for ordinary offerings at the normal price in the future.~~ The unconstitutionality and nullity of section 2 is declared in the wording provided by art. 28.5 of Royal Decree-Law 20/2012, of July 13, by Sentence TC 18/2016, of February 4. [Ref. BOE-A-2016-2335](#)

3. Promotional sales shall be subject to the provisions of Articles 33 and 34 of the present Act.
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CHAPTER V - LIQUIDATION/ CLEARANCE SALES

Article 30

Concept

1. Clearance/ liquidation sales are understood to be exceptional sales intended to deplete certain product stocks and which, advertised under this or some similar term, are held as a result of a court or governmental ruling, or conducted by the retailer or anyone acquiring the retail business under whatever title in any of the following
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circumstances:

- a) Total or partial discontinuation of business, subject to specification of the kind of merchandise involved in the clearance in the latter case.
 - b) Change of line of business or substantial modification in business orientation.
 - c) Relocation or substantial remodelling.
 - d) Any force majeure event that severely and adversely impacts normal business activity.
2. Products that did not form part of the establishment's inventory or which were purchased by the retailer to include them as part of the liquidation proceedings may not be the object of this type of sales procedure.
 3. In any event, clearance/ liquidation sales must be discontinued if the cause occasioning them disappears or if the stock of products on sale are depleted.
 4. Advertisements for clearance/ liquidation sales must specify the reason for the sale.
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