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MADIGAN SUES FIRM RUNNING DECEPTIVE ADS ABOUT OBAMA STIMULUS

Ad Firm Produces Commercials to Generate Sales Leads for Chicago Auto Dealers, Falsely Claims Tax Credits for Consumers Purchasing Cars

Chicago — Attorney General Lisa Madigan today filed a lawsuit in Cook County Chancery Court against a Frankfort, Ill., advertising company for allegedly airing deceptive commercials on Chicago-area media outlets that falsely claim consumers wouldn't pay sales tax on automobile purchases as part of President Barack Obama's stimulus package.

"In these difficult economic times when consumers are doing all they can to stay afloat and manage their money wisely, these deceptive commercials are especially troubling," Madigan said. "I will continue to aggressively prosecute such misleading schemes. I also strongly encourage consumers to do research before making important purchases to protect themselves from unscrupulous vendors."

Madigan's complaint alleges that Prime Market Targeting, Inc., which creates advertising to generate sales leads for local auto dealers, is airing radio commercials for a supposed government-sanctioned program (found at www.deductyoursalestax.com or by calling 1-800-452-1498). The ads imply that consumers will not have to pay sales tax and will receive an additional tax credit on automobile purchases as part of the new federal stimulus program. In actuality, the new federal law only allows for a sales tax deduction not a tax credit, and consumers are still required to pay the automobile sales tax.

The ad claims: "Attention Illinois car buyers, save your sales tax and put up to \$3,500 in your pocket. The federal stimulus package has passed. Buy a car today and take advantage of this sales tax relief. This is a government sanctioned program. Eliminate the sales tax."

Madigan's lawsuit alleges that the defendant's ads violate a 2005 settlement agreement reached with her Consumer Fraud Bureau that prohibited deceptive advertising. The Attorney General's complaint further alleges that the defendant's current activity violates the Consumer Fraud and Deceptive Business Practices Act, the Uniform Deceptive Trade Practices Act and the Illinois Administrative Rules on Motor Vehicle Advertising.

The Attorney General's lawsuit asks the court to permanently enjoin Prime Market Targeting from selling automobile-related advertising in Illinois. The suit also seeks restitution for consumers and asks the court to assess civil penalties of \$50,000 per violation, and an additional \$50,000 statutory civil penalty. Madigan's suit also asks the court to order the defendant to pay the costs of the investigation and court proceedings.

Assistant Attorney General Greg Grzeskiewicz is handling the case for Attorney General Madigan's Consumer Fraud Bureau.

Consumers who believe they have been the victim of consumer fraud can download a complaint form at www.IllinoisAttorneyGeneral.gov/consumers or call the Attorney General's Consumer Fraud Hotline at one of the following numbers:

Chicago 1-800-386-5438

Springfield 1-800-243-0618

Carbondale 1-800-243-0607

Spanish-language Hotline: 1-866-310-8398

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