

State AGs Support FTC Enforcement Action Against Intuit

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Last week, a coalition of 22 state AGs filed an amicus brief in support of a Federal Trade Commission (FTC) cease-and-desist order that prohibits tax software giant Intuit (the creator of TurboTax) from certain advertising practices relating to its free tax preparation software. Intuit asserts that the FTC's decision is not supported by substantial evidence because its conduct was not deceptive. Further, Intuit argues that the FTC made legal errors in applying deceptive business practices standards. For example, Intuit asserts that the FTC improperly applied an unprecedented, heightened deception standard to advertisements containing a "free" message. In addition, since Intuit reached a prior multistate settlement, Intuit argues that the FTC Order should be overturned. In 2022, a coalition of 50 states and the District of Columbia secured \$141 million from Intuit as part of a settlement that resolved state investigations into claims that Intuit deceptively marketed and advertised TurboTax.

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