

Dunkin' Donuts Sued for Overcharging Customers by \$14 Million

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Photo courtesy of [Dunkin' Donuts Facebook](#).[/caption]

Summary: New York and New Jersey Dunkin' Donut shops have been sued for allegedly overcharging customers for three years.

Dunkin' Donuts is amazing at making donuts and coffee, but perhaps they need some help with tax law. [The New York Post](#) reports that some New Jersey and New York residents sued the breakfast chain on Monday because they charged tax on non-taxable items. In a span of three years, some franchises ended up overcharging customers by nearly \$14 million.

The lawsuit claimed a store in Fort Lee, New Jersey charged state sales tax on unsweetened bottled water and bags of coffee, which is a violation of state law.

The suit also said that a store in New York's Penn Station charged on pre-packaged coffee, which is a violation of state regulations.

Carl Mayer is representing the plaintiffs. He said that the stores overcharged people around 70 percent of the time.

"Dunkin' should stop dunking their customers and provide customers with refunds or discounts so they are made whole," Mayer said.

Michelle King, the spokeswoman for Dunkin' Donuts, said the company was investigating the complaints by reaching out to franchisees.

[Bloomberg](#) reports that there are very few company-run Dunkin' Donuts store. In fact, there are 1,100 franchises, and those stores are allowed to set their own prices.

Although this lawsuit may be a new snag for the company, Bloomberg announced last week that the primarily Eastern-located chain plans to expand west. It announced that it is opening more than 400 new restaurants in 2016; and long-term they would like 8,000 stores. This is despite a reported sales decline reported earlier this month, which surprised analysts who expected an increase.

Source: [The New York Post](#)

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