



FEDERAL TRADE COMMISSION  
PROTECTING AMERICA'S CONSUMERS

For Release

# Instacart to Pay \$60 Million in Consumer Refunds to Settle FTC Lawsuit Over Allegations it Engaged in Deceptive Tactics

FTC settlement resolves allegations that Instacart deceived consumers with false advertising, failure to provide refunds, and unlawful subscription enrollment processes

December 18, 2025



**Tags:** [Consumer Protection](#) | [Bureau of Consumer Protection](#) | [Free Trials](#) | [Advertising and Marketing](#)

Today, the Federal Trade Commission announced that grocery delivery provider Instacart will pay \$60 million in refunds to consumers to settle allegations that the company engaged in numerous unlawful tactics that harmed shoppers and raised the cost of grocery shopping for Americans. Instacart will be required to cease its deceptive practices under a proposed FTC order, and consumers who were charged for Instacart+ without their express informed consent will receive refunds as a result of the settlement.

"Instacart misled consumers by advertising free delivery services—and then charging consumers to have groceries delivered—and failing to disclose to consumers that signed up for a free trial that they would be automatically enrolled into its subscription program," said Christopher Mufarrige, Director of the FTC's Bureau of Consumer Protection. "The FTC is focused on monitoring online delivery services to ensure that competitors are transparently competing on price and delivery terms."

The [FTC has alleged](#) that Instacart engaged in a variety of deceptive tactics that misled consumers and caused them to pay more in fees, while depriving consumers of refunds. Specifically, the FTC alleges that Instacart:

- **Falsely advertised “free delivery” to consumers on their first order**
  - Instacart’s claims of “free delivery” are false because consumers still must pay a mandatory “service fee” to get their groceries delivered.
  - These mandatory service fees add as much as 15% to the order cost and were not clearly disclosed to consumers.
- **Falsely advertised a “100% satisfaction guarantee,” implying that it will provide full refunds when consumers are not fully satisfied**
  - Consumers who experience late deliveries or unprofessional service typically are not offered full refunds and instead are given only a small credit that can be used toward a future order.
  - Instacart hid the refund option from the “self-service” menu that consumers use to report problems with their orders, leading many consumers to erroneously believe they could receive only a credit toward a future order rather than a refund.
- **Failed to clearly disclose terms relating to Instacart+ membership enrollment**
  - Instacart’s free-trial enrollment process for Instacart+ did not adequately disclose that consumers would be charged for memberships at the end of their trials, nor did it disclose Instacart’s restrictive refund policy.
  - As a result, Instacart has charged many consumers for paid memberships without their express informed consent. Hundreds of thousands of consumers have been charged membership fees without receiving benefits from the membership or getting refunds.

Under the terms of the [FTC’s proposed settlement order](#) , Instacart will be prohibited from making misrepresentations concerning the costs of delivery services and satisfaction guarantees. Instacart must also clearly and conspicuously disclose the terms and obtain express informed consent for transactions involving subscription models where consumers are automatically charged unless they actively opt out.

The Commission vote approving the stipulated final order was 2-0. The FTC filed the proposed order in the U.S. District Court for the Northern District of California.

**NOTE:** Stipulated final orders have the force of law when approved and signed by the District Court judge.

The Federal Trade Commission works to promote competition and [protect and educate consumers](#). The FTC will never demand money, make threats, tell you to transfer money, or promise you a prize. Learn more about consumer topics at [consumer.ftc.gov](https://consumer.ftc.gov), or report fraud, scams, and bad business practices at [ReportFraud.ftc.gov](https://ReportFraud.ftc.gov). Follow the [FTC on social media](#), read [consumer alerts](#) and the [business blog](#), and [sign up to get the latest FTC news and alerts](#).

## Contact Information

---

### Media Contact

[Office of Public Affairs](#)

Office of Public Affairs

202-326-2180