**Used Car Buyers’ Guide Animation**

SECRETARY DUNLAP: Looking for a new ride? Thinking about purchasing a used vehicle?

Buying a used car can be a bit of a gamble, but if you know the law and do your homework, it can be a great way to get a quality vehicle for far less than the expense of a new car.

Maine has several laws in place to provide consumers with protections when you buy a used car or light truck from a licensed dealer. Be aware, however, that these protections do not apply to private sales – only dealership sales.

Here’s what you need to know about your rights:

Generally, all used cars sold by dealers must have a valid inspection sticker issued within the past 60 days. This is called a **“warranty of inspectability”** and it simply means that the car will pass inspection on the day that you buy it. An inspection sticker is required to operate the car on Maine’s roadways. If the car violates this inspection warranty, the dealer must repair it, free of charge, so it can pass state inspection.

Take note, however, that the state inspection does not cover every component of the vehicle; the engine, for example, is not inspected during this process. You have a right to have the vehicle inspected by your own mechanic before you buy, to ensure that all of its systems meet your standards.

JANE Q. PUBLIC: But doesn’t Maine have a Lemon Law to protect me if the vehicle is no good?

SECRETARY DUNLAP: Actually, a thorough review of the vehicle is advisable, as Maine’s **“Lemon Law”** generally does not apply to used vehicles. The problems would have to occur within three years of original delivery of the car or within the first 18,000 miles, whichever comes first, for the car to qualify under the Lemon Law.

JANE: So what does the dealer have to tell me about the car that I’d like to buy?

SECRETARY DUNLAP: In addition to the warranty of inspectability, Maine law requires that a used car must come with a completed **Used Vehicle Buyer’s Guide sticker**. Failure to provide this guide can be grounds for returning the car and receiving a refund of the purchase price. The dealer must post this sticker on a used car's window and give you a copy of it upon purchase.  
  
DEALER: As a used car dealer, we’re required to provide the following information on the Used Vehicle Buyer’s Guide sticker:

* The make, model and year of the car
* The car's prior use (personal transportation, rental vehicle, police car, etc.)
* How the dealer obtained the car (ex: trade-in)
* If the dealer purchased the car at an out of state auction/ if the car was repossessed
* Any major mechanical problems with the car (motor, transmission, etc.) even if the car has been repaired
* Prior damage from fire, flood or collision which exceeded $3,000 to repair
* Warranties offered by the dealer on the car

DEALER: If the Used Vehicle Buyer’s Guide sticker states that the vehicle is a “salvage,” “salvage rebuilt” or “rebuilt,” that means an insurance company has declared the vehicle a total loss, and it has been repaired. Check with your insurance agent and lender before purchasing a car with this designation to make sure they will finance and insure the car. If the guide says the vehicle is a “program car,” that means it was most likely used as a daily rental car.

JANE: Isn’t the dealer required to give a 30-day warranty on a used car?

SECRETARY DUNLAP: Under Maine law, **dealers are not required to include any sort of warranty** other than the valid inspection sticker. Maine law also does not specify what items and terms a warranty will include. Many times a dealer will have their own standard written warranty coverage, and the length of time and the items covered by the warranty will vary. These will be listed in the “express warranty section” of the Used Vehicle Buyer's Guide, so give it a close read. All information about the warranty must be disclosed up front -- that includes telling you if there is no warranty.

Some vehicles will still be covered by the factory warranty, which is provided by the car manufacturer and covers the repair of certain parts and vehicle defects. Generally, it will provide coverage for a certain number of years or miles, whichever comes first. Many dealerships will also offer the option to purchase a service contract that will provide coverage for certain repairs. If the car you wish to purchase still has the remainder of a factory warranty, review the service contract options and the factory warranty carefully to be sure the service contract would not duplicate the coverage you may already have with the factory warranty. If you choose to purchase a service contract, be aware that it will not provide coverage until the factory warranty has expired.

In addition to reviewing any warranty terms, you have the right to **review the title for the vehicle.** The title is a certificate that shows ownership of a vehicle and it tells you that the person selling the vehicle is the lawful owner. The dealer will have the title to the car and you have the right to ask for and review the title.

When you review the title, you should check the mileage and any notations regarding salvage or repairs. You will also want to look for liens; make sure any liens have been released because a lien indicates that a bank or other person has a claim to that car. They may have loaned money to the prior owner, usually to purchase the car, and this gives the bank or other person a right to the car if the loan is not repaid. The lien will remain on the vehicle title until the money is repaid, at which point the bank or person will no longer have any rights to the car.

Additionally, the dealer is required to give you the name and address of the last owner, if you request this information. This does not violate privacy laws.

Many used car dealerships charge **documentation fees**, or “doc” fees, and these fees are negotiable as part of the sale. The State of Maine does not require any fees other than the $33 title fee and $1 temporary plate fee. A dealership’s doc fees must be posted for your review, and there is no limit on these fees.

Sales tax must also be paid on the purchase of a used car and it is not legal to falsify the amount paid for the vehicle on your sales contract. You and the dealer could be subject to criminal charges and prosecution for making false statements on sales tax forms.

Keep in mind that **sales of used cars are final**, unless an irreparable defect is discovered within the first day or so. Under most circumstances, you cannot return the car only because you have changed your mind. Per Maine law, products sold to you at home may be returned within three days if you change your mind, but the law does not allow this "cooling off" period for sales taking place outside of the home, such as used cars purchased from a dealer.

Additionally, if you put a deposit down on a car but then change your mind about purchasing it, Maine law does not require that the deposit be returned. The dealer’s policy on deposits will apply, so be sure to read the policy prior to placing the deposit. This policy must be posted and a written copy provided to you for review.

As an informed consumer, you’ll be prepared to make wise choices about your used car purchase and the process will be a smooth ride.

You can read more about the used car laws in Maine online at:

<http://maine.gov/sos/bmv/lawenforcement/index.html>

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