#### NOTICE OF PROPOSED GUIDANCE DOCUMENT

Vehicle Buyer's Guide – Wise Buys

Pursuant to Wis. Stat. s. 227.112, the Wisconsin Department of Transportation is hereby seeking comment Vehicle Buyer's Guide – Wise Buys s. 218, a proposed guidance document.

#### PUBLIC COMMENTS AND DEADLINE FOR SUBMISSION

Comments may be submitted to the Wisconsin Department of Transportation for 21 days by:

1. Department's website: <u>https://wisconsindot.gov/Pages/dmv/cons-protect/buy-sell-</u>veh/buyersguide-wisebuys.aspx

2. Mailing written comments to: Division of Motor Vehicles Wisconsin Department of Transportation 4822 Madison Yards Way PO Box 7336 Madison, WI 53707-7336

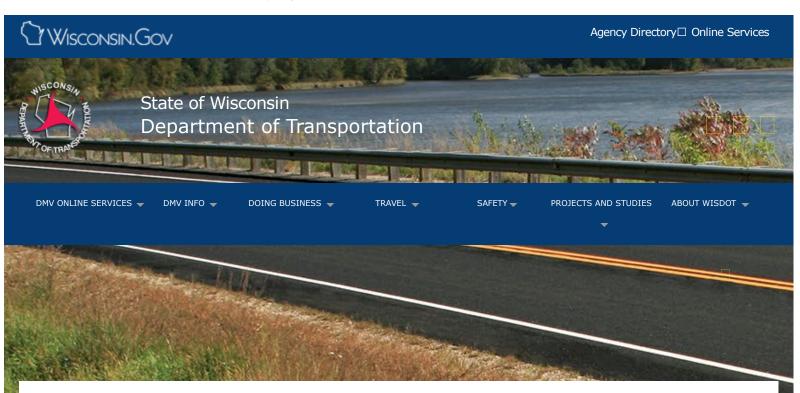
## WEBSITE LOCATION OF FINAL GUIDANCE DOCUMENT

The final version of this guidance document will be posted at <u>wisconsindot.gov</u> to allow for ongoing comment.

AGENCY CONTACT

DOTDMVGuidanceDocs@DOT.WI.GOV

Wisconsin DMV Official Government Site - Vehicle buyers guide



# Vehicle buyer's guide - Wise Buys

Car buying and selling

Misleading car ads

Purchase cancellation

Selling a vehicle

Unlicensed car dealers

Vehicle buyer's guide -"Wise Buys"

Vehicle history information

 Odometer Tampering brochure

□ Sell It Right brochure

 Smart Buying brochure

Truthful advertising | Accurate window labels | Warranty information | A binding contract | Records of sales | Tips for wise car buyers | Information or help | Speakers available

Buy from a licensed Wisconsin dealer and you're protected by Wisconsin's motor vehicle trade practice law. Dealers follow the law when they advertise, display, and sell vehicles. You won't get the same protection if you buy from a private party.

# Expect these advantages when you buy from a licensed dealer:

# Truthful advertising

Expect ads to say what they mean and mean what they say. An advertised price will include all charges you'll pay to buy a car (except tax, title, and registration). If an ad promises you a set price for your trade, you'll get that price for a trade of any age, condition, or mileage. You won't have to buy anything to get a gift offered "free" in an advertisement. (Also see Misleading car ads.)

# Accurate window labels

# Manufacturer's Suggested Retail Price Label (MSRP)

You'll find the "MSRP" label on the window of any new, executive, or demonstrator car offered for sale. It lists the following:

- Manufacturer's base price
- Standard equipment and manufacturer's optional equipment with prices
- Freight charge
- Suggested retail price

Cars may sell for more or less than the manufacturer's suggested retail price.

# Dealer supplemental price label

You may also find a dealer supplemental price label on new cars. It lists optional equipment and services the dealer offers or has already installed.

# Wisconsin buyers guide

Used cars display the Wisconsin buyers guide which gives the following information:

- How a vehicle was used (private use, business use, lease use, rental, etc.)
- Price
- Title brands (permanent brands that are on the title or will be on the next title)
- Make, year, model, identification number, engine size and transmission type
- Sold with remaining manufacturer's warranty, a dealer warranty or "As Is"
- Description of items dealer inspects
- Condition of the vehicle and its safety equipment, with defects explained

Dealers complete the guide based on a visual inspection and test drive. They must disclose any noticeable defects. However, they aren't required to take vehicles apart to check them.

# 🚸 Return to top

# Warranty information

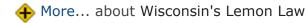
# New car warranty

All new cars carry a warranty, usually of at least 12 months and/or 12,000 miles. Tires, battery, and dealer-installed options may have separate warranties that differ in time and mileage. Read any warranties to find out what is covered and for how long, who will honor the warranty, and what you have to do to keep it in effect.

Hore... about warranties

Wisconsin's new car Lemon Law

The Lemon Law protects you when you buy or lease new vehicles. It entitles you to a refund or replacement vehicle if, in the first year under warranty, your vehicle has a serious problem the dealer doesn't repair in four tries, or if it's out of service due to defects for a total of 30 days or more. Save your repair orders. For more information, call the Wisconsin Department of Transportation (WisDOT) Dealer Section consumer hotline (608) 266-1425 or DealerLicensingUnit@dot.wi.gov.



#### Used car warranty

Read the Wisconsin buyers guide window label to find out if a used car has any dealer warranty or remaining manufacturer's new car warranty. Ask who will transfer any remaining manufacturer's warranty and who will pay any transfer fee. The dealer will show you a separate warranty document for any warranty listed on the label.

#### "As-Is"

If you buy a car with no dealer warranty, it will be marked "As-Is" on the window sticker. "As-Is" means the dealer is not responsible for repairs the car needs later, even if the car comes with a manufacturer warranty.

## A binding contract

#### You sign, you buy

Dealers use the "purchase contract" form when selling cars. Read and understand the contract before you sign. Once you and the dealer sign the offer, it becomes a binding contract. The dealer can't raise the price or sell the car to anyone else. You can't cancel the contract without a penalty.

The contract should include the following information about your purchase:

- Whether you're buying the car with a warranty or "As-Is"
- Date your vehicle will be delivered
- Other conditions of the sale. Get all promises in writing on the contract

#### Purchase cancellation

Many consumers mistakenly believe they have three days to cancel the purchase contract. They do not. The 3-day "cooling off" period only applies to sales the dealer makes away from the dealership.

More... about purchase cancellation

#### Trade-in

Get the price for your trade-in in writing on the contract. The price won't change unless you put on more miles than agreed to in the contract, remove parts, or damage the car before you trade it in. Protect yourself and the next owner by giving accurate information about your trade-in's mileage and condition, and how it was used.

#### License plates

You must display a license plate on all autos and light trucks. Your dealer will provide you with a temporary plate good for 90 days if you do not have a plate to transfer. Some dealers offer title and registration services that allow them to give you plates and stickers right away. If you choose this option you will receive your title sooner than if your dealer mails your application. There is a fee for this service.



More... about mandatory display and temporary license plates

# Dealership service fees

Dealers may charge a service fee for completing inspections and forms required by law. The service fee is a dealership fee, not a government fee, and is not required by law. Service fees reflect the dealer's costs for complying with mandated state and federal laws, and may be negotiable at some dealerships. You'll find any service fee listed on the vehicle window label, and on the motor vehicle purchase contract.

## Records of the sale

Your dealer will give you the following documents or copies as soon as you sign them. Save them all:

- Motor vehicle purchase contract
- Odometer Statement from the dealer
- Window labels
- Any warranty or service agreement
- Any finance contract
- Anything else you sign

# 🚸 Return to top

# Tips for wise car buyers

- Arrive at the dealership with a clear idea of features and options you want in your car. Magazines like Motor Trend and Consumer Reports discuss features, performance, and quality of new models.
- Read window labels about price and condition. Read the title, odometer statement, and any warranties.
- Test drive the vehicle. Drive it cold and warmed up. Test it at highway and city speeds. The dealer will ask to see your driver's license and may have you take a salesperson along.
- Ask the vehicle's former owner about its condition, mileage, and use. The salesperson will give you the name and address if you ask.
- Have your own expert check out the vehicle if the dealer allows. Also, if your county requires emission testing, consider having a test done before you buy. The selling dealership's inspection does not ensure the vehicle will pass a state emission test.
- If you order a new vehicle from the factory, test drive and inspect it when it arrives at the dealership. You do not have to accept a vehicle that arrives damaged.
- Protect yourself and the next owner. Tell the true miles and use of your trade-in.
- Get promises in writing on the contract.
- Sign only when you're ready to buy. You may pay a penalty for canceling the contract.
- Keep copies of all documents and anything else you sign.
- Call with questions. Dealer Section's consumer hotline (608) 266-1425 or contact DealerLicensingUnit@dot.wi.gov.

# For information or help

The Dealer Section licenses and regulates dealers and helps resolve disputes about vehicle sales and warranty.

## Speakers available

Call the Dealer Section (608) 266-1425 to reserve a speaker for your class or meeting. Topics include:

- Wise car buying
- Lemon law
- Odometer tampering

It's free! (please allow 4 weeks' notice.)



Related information:

- Mandatory display and temporary license plates
- Warranty problems
- Wisconsin's Lemon Law

If you have questions:

Email Wisconsin DMV email service

#### Contact Information

#### Forms/Notices

Contact Us

□ Support

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