



# BUYING A CAR IN ARIZONA

(A.R.S. §§ 44-1261-1267)

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## Cooling-Off Period

It is a misconception that Arizona has a three-day grace period, also known as a cooling-off period, for motor vehicle sales, during which a purchaser can decide not to buy the vehicle and the sales contract is made void. This is incorrect. **There is NO cooling-off period for motor vehicle purchases in Arizona.** While a cooling-off period exists for some types of purchases, motor vehicles are not included.

## Lemon Law

The Arizona Lemon Law protects the legal rights of motor vehicle purchasers who buy defective cars. While the Lemon Law pertains mainly to the purchase of NEW vehicles, some limited protection does exist for used cars.

If a new motor vehicle does not conform to all applicable express warranties, the purchaser should inform the manufacturer and/or authorized dealer **within two years or twenty-four thousand miles** following the date of the original delivery of the motor vehicle to the purchaser, whichever is earlier **or within the term of the express warranty, whichever date is earlier.** The manufacturer or dealer is then required to make the necessary repairs to make the vehicle conform to any express warranties, even if the repairs are made after expiration of the two year or twenty-four thousand mile limit. Of course, if your new car's warranty extends past two years or twenty-four thousand miles for the specific problem or part in question, then your right to have the vehicle repaired at dealer/manufacturer cost extends to the date of your warranty.

If the manufacturer or dealer is unable to repair the vehicle after *a reasonable number of attempts*, they must replace it with a new motor vehicle or refund the purchaser the full purchase price, including all collateral charges, minus a reasonable allowance for the purchaser's use of the vehicle (time between purchase of the vehicle and first notification to dealer/manufacturer of the problem).

A reasonable number of attempts means:

1. The **SAME PROBLEM** has been subject to repair **FOUR OR MORE TIMES** by the manufacturer or dealer within the period of two years or twenty-four thousand miles following the date of original delivery of the motor vehicle to the purchaser, whichever is earlier; and the problem continues to exist.

2. The motor vehicle is out of service by reason of repair for a **CUMULATIVE TOTAL OF THIRTY OR MORE CALENDAR DAYS** during the shorter of the express warranty term or the two year period or twenty-four thousand miles.

Bear in mind, however, that the manufacturer or dealer may have a defense to your Lemon Law claim if the problem does not substantially impair the use and market value of the motor vehicle, or if the problem is the result of abuse, neglect, or unauthorized modifications to the motor vehicle.

## **Used Cars**

The Arizona Lemon Law includes a provision for used car purchases. An implied warranty of merchantability exists for all used motor vehicles for **fifteen calendar days after delivery of the vehicle to the purchaser or the first five hundred miles**, whichever comes first. A used motor vehicle is considered to be merchantable if it functions in a safe condition and is substantially free of any defect that significantly limits the use of motor vehicle for the ordinary purpose of transportation on any public highway. As with new vehicles, the warranty does not apply to damage resulting from abuse, misuse, neglect, failure to perform regular maintenance or to maintain adequate oil, coolant or other required fluid or lubricant, off-road use, racing, or towing. The purchaser will have to pay up to \$25.00 for each of the first two repairs if the warranty is violated.

A purchaser may waive the implied warranty of merchantability for a particular defect in the vehicle only if the following conditions are satisfied:

1. The dealer fully and accurately discloses that because of circumstances unusual to the used motor vehicle dealer's business, the used motor vehicle has a particular defect;
2. The purchaser agrees to buy the used motor vehicle after disclosure of the defect; and
3. Before the sale, the purchaser indicates agreement to the waiver by signing and dating the following statement that is printed on the first page of the sales agreement in bold-faced ten point or larger font and that is written in the language in which the presentation was made:

Attention purchaser: sign here only if the dealer told you that this vehicle has the following problem(s) and that you agree to buy the vehicle on those terms:

A chief problem in used car sales is that salespersons make oral statements that contradict the written sales agreement and are not legally binding. Dealers are required to post a Buyers Guide in every used car (note: not applicable to motorcycles and most recreational vehicles) they offer for sale. The Buyers Guide must state whether the vehicle is being sold "as is" or with a warranty. The Buyers Guide becomes part of the sales contract.

## **Advice to Keep in Mind**

Be sure to document all the problems you are having with the vehicle. Keep all receipts of service to your vehicle and record the number of attempts the dealer has made to correct the problem. Also, keep a log of how many days your vehicle is in the shop. If you need further guidance or advice contact the legal office at (623) 856-6901.

Revised August 2015