



LEMON-AID LAW

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GENERAL OVERVIEW

The Massachusetts Lemon-Aid Law allows you to void or cancel a motor vehicle contract or sale with a dealer or private seller if the following four conditions are met:

- (1) the purchased motor vehicle is for personal or family use;
- (2) the motor vehicle fails to pass within seven days of the purchase date an inspection administered by a licensed inspection station;
- (3) the reason for the failing inspection occurs after the purchase date because of negligent or abusive operation of the motor vehicle or because of damage arising from an accident or collision; and
- (4) if the cost of repairs necessary to pass the inspection exceeds ten percent of the purchase price of the motor vehicle.

Motor vehicles that will not run fail inspection automatically but the cost of repair must exceed the ten percent threshold in order to cancel the sale. This will require getting an estimate for the cost of repair.

VEHICLE INSPECTION AND REGISTRATION REQUIREMENTS

The buyer, not the dealer, is responsible for obtaining within seven days of registering the vehicle a passing inspection from a licensed Massachusetts Inspection Station. Sellers of used vehicles need only remove inspection stickers prior to transferring the vehicle to the new owner. Motor vehicle inspection stickers are NOT transferable to a new owner.

Remember that in order to take advantage of the Lemon-Aid Law you must receive a failing inspection within seven days of PURCHASING the vehicle, regardless of when you register the vehicle. For example, if you wait to title your vehicle for five days after purchase (Massachusetts allows a ten day window to title), register the car three days later, and receive a failing inspection two days after that, you will not have the protection of the Lemon-Aid Law because your failing inspection occurred on day ten after purchase, three days outside of the seven-day window. (Note: you cannot drive your car legally without registration and a passing inspection.)

HOW TO RECEIVE YOUR REFUND

Assuming you satisfy the four conditions of the Lemon-Aid Law stated above, you can receive a full refund of the purchase price if you do the following four steps within 14 days of the purchase date:

- (1) Get a written statement, signed by an authorized agent of the inspection station, stating why the vehicle failed to pass the safety or combined safety and emissions inspection test.

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- (2) Obtain a written estimate of the costs necessary to pass inspection showing that those costs exceed ten percent of the purchase price.
- (3) Notify the seller of your intention to void the contract under the Lemon-Aid Law. It is best to use written notification, preferable by certified mail with return receipt requested. Be sure to enclose in the mailed notice copies of the documents mentioned in parts one and two.
- (4) Deliver the car to the seller, even if delivery requires towing services. It is advisable to take a witness with you and copies of all the documents mentioned in parts one, two and three. If the seller refuses to accept the car, prepare a statement indicating that you and a witness delivered the car to the seller on that date, but that the seller refused to accept the car. Be sure the statement is signed by both you and your witness in the presence of a notary public.

You and the seller may agree in writing to have the seller do the necessary repairs at the seller's expense. You may, however, refuse the seller's offer and accept a full refund.

IF YOU PAID FOR A TITLE

Contact the Registry of Motor Vehicles Title Division at (617) 351-9550. Explain that you are returning the vehicle to the seller under the Lemon-Aid Law, and that you are requesting that a certificate of title be issued to you as soon as possible. When you receive the title, you should assign and transfer it back to the seller. If the seller refuses to accept the title, then send it by certified mail and retain a copy for your records.

IF YOU PAID SALES TAX AND REGISTRATION FEES

Take the following steps immediately to ensure you receive a rebate: *Sales Tax*: Fill out an abatement form available from the Massachusetts Department of Revenue Taxpayer Service Division, P.O. Box 7010, Boston, MA 02204, (617) 887-6367. *Registration Fee*: If you return your license plates within 10 days from the date you registered your car, you will receive a refund less a charge of \$5. If you return your plates after this 10-day period, but within a "reasonable time," you will receive a partial rebate.

ASSERTING YOUR RIGHTS

If you followed all of the above steps and the seller does not refund your money, you should explore the following options:

Mediation

Mediation is an inexpensive and informal way to resolve your dispute without hiring an attorney and going to court. Contact the Attorney General's Office for mediation services.

Court Action

You may also pursue your claim through the court system. For claims under \$2,000, small claims court may be the least costly alternative. Consumer Affairs publishes a Consumer's Guide to Small Claims Court available upon request. Larger claims may be more suitable to District or Superior Court. You should seek legal advice for all claims.

NOTE: *Air Force attorneys are prohibited from representing Air Force members and dependents in civilian court.* This office and its attorneys are here to provide general guidance regarding the Lemon-Aid Law. Once you secure legal representation, military attorneys may no longer provide advice or guidance relating to the legal proceedings. To do so could interfere with an existing attorney/client relationship and violate the code of ethics governing attorney conduct.

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Other Rights And Remedies

If you do not qualify for a refund under the Lemon-Aid Law, other laws and regulations may protect you. Unless otherwise noted, these laws do not apply to private party sales.

Implied Warranty of Merchantability: In addition to any express written warranties given by the dealer, you are also protected by an Implied Warranty of Merchantability. This implied warranty is automatic with every car sold by a dealer. The dealer warrants that the car is safe and in running condition for at least a reasonable period of time. Consider such factors as the price paid, the car's age, make, model and mileage to help you determine what problems the dealer should be required to fix. You cannot waive the implied warranty of merchantability. This means that a dealer cannot sell cars "as is," "with all faults," or with a "50/50" warranty.

Odometer Law: The law prohibits both dealers and private party sellers from turning back or readjusting the odometer or mileage indicator on any automobile offered for sale.

Title Requirements: All vehicles must have a certificate of title issued by the Registry of Motor Vehicles and must be properly endorsed at the time of sale. The dealer must inform you, on request, of the name and address of the prior owner of a car.

Used Vehicle Warranty Law: Dealers must provide a written warranty to buyers who purchase a used vehicle with fewer than 125,000 miles at a purchase price of \$700 or more. The law requires dealers to repair use or safety defects for either 30, 60, or 90 days, depending on the mileage of the vehicle. It also allows consumers to obtain a refund if during the warranty period they attempted to have the vehicle repaired three times for the same defect, or if the car has been out of service for repairs for at least 11 business days, and the defects still exist.

Private Party Sales: In addition to the Lemon-Aid Law requirements, a private party who sells a consumer a used vehicle must tell the buyer about any known use or safety defects. If the buyer discovers a defect which impairs the safety or substantially impairs the use of the vehicle, and can prove the seller knew about it, then the buyer can return the vehicle within 30 days of purchase. Private parties are bound by this law, regardless of the age or selling price of the vehicle.

For further information, visit the Massachusetts Office of Consumer Affairs at www.mass.gov/oca.