

MOTOR VEHICLE PURCHASE AMENDMENTS

2004 GENERAL SESSION

STATE OF UTAH

Sponsor: Don E. Bush

LONG TITLE

General Description:

This bill modifies the Motor Vehicles Code by amending purchaser's rights under the motor vehicle business regulation provisions.

Highlighted Provisions:

This bill:

- ▶ changes the deadline for a purchaser to return a vehicle if the dealer has not transferred the title and registration in the new owner's name:
 - from 180 days after the date of purchase;
 - to any day prior to the time the dealer submits a certificate of title and all documents required to the Motor Vehicle Division; and
- ▶ makes technical changes.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

41-3-403, as last amended by Chapter 189, Laws of Utah 2000

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **41-3-403** is amended to read:

41-3-403. Dealer noncompliance -- Rights of purchaser -- Penalties.

(1) (a) [~~Except as provided under~~] Subject to the provisions of Subsection (4), if a

dealer fails to comply with Subsection 41-3-301(1), the purchaser may return the purchased motor vehicle to the dealer and receive a complete refund of all money and other consideration given for the purchase, including any motor vehicles or property traded in.

(b) If the motor vehicle or property traded in has been sold by the dealer, he shall return to the purchaser the amount of money equivalent to the value of the motor vehicle or property as allowed toward the purchase.

(c) Demand for the return may be made directly by the customer, his attorney, or the administrator.

(d) Any loan payments or interest due between the sale date and the return date on either the motor vehicle purchased or a motor vehicle traded in, are the responsibility of the dealer.

(2) Failure of a dealer to comply with this section:

(a) is a violation of Subsection 41-3-301(1);

(b) is a ground for immediate dealer license suspension; and

(c) allows the customer a cause of action against the dealer to recover all consideration owed under Subsection (1).

(3) ~~[Motor vehicles]~~ A motor vehicle returned under the provisions of this section ~~[are]~~ is not considered to be sold for purposes of:

(a) notice of sale under Subsection 41-3-301(2); and [for purposes of]

(b) sales tax under Title 59, Chapter 12, Sales and Use Tax Act.

(4) ~~[A]~~ If a dealer fails to comply with Subsection 41-3-301(1), the dealer [is not required to] shall accept the return of a purchased motor vehicle under this section ~~[unless]~~ if the purchaser:

(a) returns the motor vehicle to the dealer ~~[within 180 days after the date of the purchase]~~ and requests in writing that the purchase be rescinded, prior to the time the dealer submits a certificate of title or manufacturer's certificate of origin for that motor vehicle, endorsed according to law, to the Motor Vehicle Division, accompanied by all documents required to obtain a new certificate of title and registration in the new owner's name;

(b) furnishes to the dealer a written odometer disclosure statement in accordance with

Section 41-1a-902; and

(c) pays the dealer an amount equal to the current standard mileage rate for the cost of operating a motor vehicle established by the federal Internal Revenue Service for each mile the motor vehicle was driven between the date the purchaser first acquired possession and the date when the purchaser returned the motor vehicle to the dealer.