

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

Comprehensive Car Buyer's Guide

All of the below info is taken directly from the DMV website and has been compiled into a single document for ease of use.

Set a Budget

Before you can start used car shopping, you should figure out your budget. This will help your process in many respects—including setting the right expectation for the types of used vehicles you can purchase.

There are a few key factors to keep in mind while you're number crunching.

Personal Budget Factors

It's very important to have a realistic idea not only of what you **can spend**, but also of what you **should spend** on a used car. Just because you can afford it doesn't mean it's a good option for you.

It's generally suggested to **spend no more than 20% of your monthly take-home pay on a monthly auto payment**. However, this is just a **broad recommendation** and **may not apply** to every circumstance.

Keep **all your other monthly expenses** in mind, such as:

- Rent or mortgage.
- Utilities.
- Groceries.
- Phone and Internet bills.
- Student loans/other debts.

If your monthly budget is mostly spent after taking care of necessary bills, it may be more prudent to keep your car payments on the lower side.

Used Car "Hidden" Costs

Owning a vehicle entails more than paying for the vehicle itself. There will be costs associated with your used car other than your monthly auto payment, such as:

- Your car insurance rate.
- Various **taxes and fees**.
- Your car's **depreciation rate**.
- **Gas, oil changes**, and other **maintenance**.

Don't forget to keep these factors in mind when determining your used car budget.

Once you have a solid idea of how much money you can spend on your used car, you can start determining which type of car within that price range will be the best option for you.

Types of Used Cars

There are plenty of used vehicles to go around, and several ways to generally categorize them. When you begin your shopping process, consider these options:

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- **Certified pre-owned (CPO) vehicles**—The purpose of CPO programs is to **alleviate concerns about the condition of a non-new vehicle**. Still, the inspections, repairs, and warranties involved in each program **vary greatly**.
- **“Second tier” vehicles**—These cars may not be the biggest sellers on the lot, but can still be reliable—and much cheaper—regardless of their less-popular manufacturers.
 - i.e. the Honda Accord and Toyota Camry are comparable in quality to the Chevrolet Malibu or Nissan Altima, but can cost much more.

Usage Considerations

Another good way to begin narrowing your search is figuring out how you will mostly be using the car. For example, if you have a large family, you might want to consider a vehicle with more seating; if you have a long commute, you may want to focus on cars that get the best gas mileage.

Be honest with yourself, and **separate the features you need** in your car from the **features you simply want**.

Online Forums

If you **love to do research** or **have a decent amount of car-related knowledge**, you may have good luck looking for a used car on **websites like Craigslist**.

Peer-to-peer car buying and selling websites are another option. These sites essentially **act as a middleman** between buyer and seller. The process is similar to using Craigslist, but sales are typically more regulated by the website.

There are other **less active online options**, as well. Many websites will offer **used car listings**, which will allow you to search for vehicles based on factors like:

- Car mileage.
- Make.
- Model.
- Proximity to you.

In Person

Of course, there are other ways to track down used cars for sale, including:

- Used car lots.
- Used sections of a car dealership.
- Newspaper or magazine classified ads.

These methods typically involve more legwork but may be a good option to find deals that a buyer only using the Internet might miss.

Negotiating Used Car Prices

The price of a car, new or used, is almost always up for debate. If you put your negotiating skills to the test, you may be able to save some serious money when purchasing your used car.

Your number one ally at the negotiation table is **information**. Make sure you have a solid idea of the vehicle's general value, including:

- **The Blue Book value**. The Kelley Blue Book is one of the most common references for used car values.

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- Prices of vehicles with similar:
 - Makes.
 - Model years.
 - Miles.

The specific price of the car will depend on other variables, like the condition the car is in and the vehicle's history.

Also ask if you can take the car for a test drive before making your final decision to buy it. This may reveal issues you may have with the vehicle that you can't discern from research alone.

Buying from Dealers

There may be several different factors in play when you purchase a used car from a lot or dealership, as opposed to a personal sale. Dealers usually have **more information** about and **experience** in vehicle sales and will typically stick to a **bottom line**.

Dealerships will usually also consider other elements when in negotiations with you, such as:

- A trade-in car, if you have one.
- Down payments vs. monthly payments.
- Auto warranties.

Typically, it's recommended to start the conversation with the **total price** you want to pay for the vehicle, rather than trying to figure out monthly payments off the bat.

Private Party Sales

Negotiating with a private seller may be easier than talking to a dealer about the price you want to pay for your used car. Typically, an individual will have **less experience** in selling vehicles and will likely be **more eager** to get rid of their auto.

Still, pursuing a private sale means you're **much more likely** to purchase the car "**as is**"—making you **financially responsible** for **any and all problems** with the vehicle, known and unknown.

Vehicle History Reports

No matter who you buy your used car from, it is a smart idea to **ask for the vehicle's maintenance and crash history**.

A **vehicle history report** will reveal many points about the car that could help you not only **negotiate a fair price** for the vehicle, but also **make an informed decision** on whether or not it's worth purchasing at all.

Vehicle history reports use the car's vehicle identification number (VIN) to turn up information about:

- Lemon status.
- Accident history.
- Major repairs.
- Lien and ownership history.
- Warranties remaining on the car.
- Mileage and miles per year.

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Buying a Car “As Is”

There are several conditions a car can come in when you purchase it. The most well-known are “new” and “used,” but there's a third description that may show up on a car's price tag: “as is”.

What Does “As Is” Mean?

“As is” is a legal term describing the status of an item for sale. It means the item is being sold complete with **all issues known and unknown**. Essentially, the term **frees the seller from legal recourse** should an unexpected problem arise with the item after the sale.

In the case of a car being sold “as is,” the term refers to a **vehicle's warranty status**. A car being sold “as is” is being sold **without a warranty**. That means that **any problem with the car is no longer the responsibility of the dealer or private seller** once it has been sold. **All repair costs** will come directly out of pocket for the buyer.

Buying an “As Is” Car from a Dealer

Since an “as is” purchase is a risk for the car buyer, there are typically several conditions determining when a dealer can sell a car with no warranty. The car must:

- Be sold under a certain price.
- Be over a certain age.
- **EITHER:**
 - Meet all requirements for safe and legal operation at the time of the sale.
- **OR**
 - Have ownership transfer documents that clearly state the car is unsafe to operate.

A dealer is also typically **legally obliged** to inform a customer of a car's warranty status. These laws **vary by state**.

Buying “As Is” from a Private Seller

A majority of “as is” sales are from private sellers. **Unless your purchase agreement states otherwise, a private sale is on an “as is” basis.**

Private sales are **much less regulated** than sales at a dealer. Many states **don't require** a private seller to ensure the car will **pass state inspection** before selling it.

You may also have **limited legal recourse** regarding:

- An inaccurate odometer reading.
- Misinformation regarding the number of owners on the title.
- A seller not disclosing the car's true accident history.
- If the car was stolen and retitled.
- If the car was declared salvage in another state.

To avoid many of the above scenarios, consider **running a VIN check** on the car to obtain a [vehicle history report](#). This should disclose any ugly situations that the seller did not.

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

It's very important before making an "as is" purchase to **do your research**. Check the Internet for information on vehicles as similar as possible to the one you're interested in.

- What is a **typical selling price** for a car of this make and model with this number of miles?
- What are **typical problems** for a car of this make and model with this number of miles?
- How **reliable** are these cars?
- How many of these cars are **still on the road**?

Since there is little to nothing guaranteed about the car's condition, this will help **limit any surprises** or **set the right expectation** for the car.

Other good ways to prepare include:

- Requesting the car's [vehicle history](#).
 - Ask about **both** the car's **accident history** and **maintenance records**.
- Get the car **looked at by a mechanic** before purchasing it.
- If buying from a private seller, arrange to meet in a **safe and public place**.
- Ensure the seller provides **all proper paperwork** for the purchase.
 - Car dealers will typically handle the paperwork for you.

Create a Purchase Agreement

If you're conducting a transaction with a private seller, you can ask about writing a **purchase agreement**. This agreement should clearly state:

- The **responsibilities** of both the **buyer** and **seller**—and what each is **NOT** responsible for.
- Full **names and addresses** of both buyer and seller.
- Full **description** of the vehicle.
- Buyer's **acknowledgement** of the car's "as is" status.
- **Signatures** of all parties involved.

While this is **not an official document**, it could help **clarify understanding** between the two parties and could possibly be potentially useful should any legal issues occur.

Pros & Cons of an "As-Is" Purchase

Advantages of an "As Is" Purchase

The biggest advantage is **price**. In many cases, dealers are legally obliged to sell an "as is" car [under a certain price](#).

Private sellers are also often eager to sell the car, possibly for reasons other than the car's condition. This typically makes them **much more willing to negotiate**.

Disadvantages of an "As Is" Purchase

As the saying goes, *caveat emptor*, or "**Let the buyer beware**." While buying an "as is" car can save money in purchase price, buying an "as is" car can just as easily end up costing much more than anticipated in maintenance costs.

Ensure you **do your research** and **get the car inspected by a mechanic prior to the purchase** to limit the chance of buying a car in poor condition that will require major work to keep running.

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Used Car Buying Mistakes

Car dealerships, website and newspaper advertisements, auctions—used cars are for sale everywhere. For many, buying a used car is the most practical, cost-efficient option (which can even come with a few perks!). However, **you must educate yourself on common used car buying mistakes** before you fall in love with a car and start working out a deal with the seller.

Not Shopping Around

When it comes to buying a car, **shopping around is crucial**—especially when you're looking at used cars. This is because there are typically more avenues to purchase a used car compared to new cars, such as:

- **Dealerships.**
- **Private sellers.**
- **[Auctions.](#)**

Such a variety opens doors that merely browsing a few car lots can't.

Have a basic enough idea of what you want (a sedan? pick-up truck? family-friendly minivan?) and start your shopping by browsing:

- Car lots.
- Websites.
- For-sale ads in newspapers.

Compare the vehicles you find in your browsing, and make sure they **meet your needs** and **fit your budget**. Eventually narrow your search to two or three options before going further.

Failing to shop around could land you with a used car you *thought* you wanted, only to find a better deal after you've already made the purchase.

Forgoing a Test Drive

When buying a car from a dealership, test drives are pretty common; however, we don't always think about giving that used car a spin before we buy from a private seller.

So, it's simple: **always take a test drive**. How does the car feel? Do you hear any funny noises? Are you comfortable handling it? Observe everything during your test drive, and always trust your gut.

Forgetting to Research Vehicle History

Used cars have had at least one other owner; this means **there's history you need to know about**. Some used car sellers will provide you with basic information such as maintenance reports (e.g., receipts for oil changes and other necessary upkeep), but perhaps the best way to learn about a vehicle's history is to **order a vehicle history report** (VHR).

Such reports provide information such as:

- The **number of past owners**.
- **Odometer readings**, including readings at the time of ownership change.
- **Accident history**.
- Whether there are any **liens** on the vehicle.

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

- If the vehicle has ever been categorized a **“lemon.”**

Avoiding a Mechanical Inspection

Sure, it costs extra money up front, but **a mechanical inspection could save you thousands down the road.** Whenever possible, hire a trusted, reputable mechanic to inspect any used vehicle you're considering buying. Remember, **just because the seller isn't aware of any mechanical problems doesn't mean there aren't any.** Your mechanic could find a minor issue or two that are fairly inexpensive to repair (considering how badly you want the vehicle), or he could find major issues that render the car not worth it.

NOTE: If the seller isn't willing to let a mechanic inspect the vehicle, **move on.** This is a surefire red flag, as there should be nothing to hide.

Overlooking Vehicle Maintenance and Repair

Let's assume you've ordered a vehicle history report and hired a mechanic to inspect the car and everything is to your liking.

Now it's time to **think about what it will cost you to maintain and repair the vehicle.** For example, is it an older-model vehicle that might need a lot of repairs in the near future? A luxury-model car with expensive or hard-to-find parts? Or it is simply your basic, everyday used car that'll require normal, easy-to-access maintenance and repair?

Consider these factors carefully, because while the upfront cost of the car might be within your price range, future costs could go way out of your budget.

Skipping the Extended Warranty

This one's a little trickier, because some experts advise against spending the extra cash on service contracts—commonly misreferred to as [extended warranties](#)—citing they generally aren't necessary in addition to basic factory warranties. However, **service contracts could pay off when it comes to used cars.**

Again, it comes down to **considering the cost of repairing the used car.** Did you choose a make and model that's within your budget to repair, or did you go with a luxury vehicle that might cost a bit more than you're prepared to pay? Given your budget, sometimes it's actually more cost effective to pay for the extended service contract now and save yourself some cash on repairs later.

Accepting the First Auto Loan You're Offered

Unless you've saved up the cash to buy a used car outright, you'll likely need an auto loan. While getting an auto loan through the dealership might seem like the best option (it's easy, one-stop shopping, after all), it's not always your best bet. Plus, you might be shopping with private sellers.

Before you head to the dealership, **consider shopping around for auto loans from banks or credit unions.** Sometimes, these financial institutions can offer you much better rates than can the dealerships. Keep in mind that you don't have to use these loans, but it's beneficial to have something to which you can compare what the dealership offers.

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

NOTE: A bank auto loan is also an excellent alternative if you're buying from a private seller but can't afford to pay the full cost out of pocket.

Avoiding Flood Damaged Cars

One of the many risks of buying a used car is that you don't know its history. Sellers have an arsenal of supplies and tactics to dress up a used car, even if it has been severely damaged. Flood-damaged cars fall into this category.

If you're thinking of buying a used car, be sure to know how to recognize water damage from flooding.

Dangers of Flooded Cars

Flood-damaged cars are very unreliable vehicles. While vehicle rebuilders may be able to hide most of the cosmetic flood damage, it is very difficult to completely fix an engine that has been flooded.

The car may look decent on the outside, but could be rusting from the inside—putting you and your passengers in danger, and keeping you at risk for major costly repairs.

Flood Damaged Cars & Salvage Titles

Cars that have undergone damage from a flood are frequently considered a total loss and, if refurbished, will carry with them a salvage title. A salvage title is an important indicator of a car that has had serious damage. Buying a salvage title car isn't always a bad idea, but buying a flooded car is.

Don't be afraid to ask about the nature of the damage on a salvage title car, and walk away if it's been flooded. No matter the price, that will never be a good deal.

Signs of a Flood-Damaged Car

Smell

Use your common senses to sniff out water damage on a car. The most obvious signs of flood damage are the same as anywhere: **smell and watermarks**. If you pick up a damp, mildew scent, be suspicious of where the car has been.

That smell is strongest if the car has been sitting with its windows closed for a while. Equally telling is the opposite smell of cleaning agents and car fresheners trying to mask the mold.

Sight

Water damage is sometimes visible. Think of what happens to fabric, like on a couch, when you spill a glass of water. Even dry, that ring never goes away.

Look for those marks on all the interior fabrics of the used car, including:

- Rugs.
- Upholstery.
- Ceiling fabric
- Seat belts.

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You should also keep an eye out for recently updated fabric. A new rug on an older car, or non-matching fabrics/upholstery, can be red flags.

Sometimes you will also see mud or silt left over from the flood. This and other debris get caught in all the nooks and crannies of a car, and are hard to clean out. Be sure to **check under the rugs, seats, and spare tire in the trunk** for any pooling water or muddy residue. Headlights also trap moisture, so don't forget to take a close look at those.

Rust can also be a sign of water damage that is hard to conceal. **Rust on the inside of the car will be especially telling** since that is one place rust shouldn't show up through normal wear and tear.

Electrical and Mechanical Components

A car with extensive water damage may have problems with its electrical components. Test out every electrical element, including its:

- Windows.
- Seats.
- Blinkers.
- A/C.
- Radio.

You may also feel a difference in the ride when you test drive the car. The engine may not run as smoothly.

Additional Tips

Regardless of whether you suspect flood damage, there are steps you should always take when shopping for a used car. First, consider paying a little extra to have an **experienced and trustworthy mechanic** look over the car for you.

You should also consider purchasing a [vehicle history report](#). This step helps you know where the car has been and whether it was in any accidents—separate from flooding—that could impact its value and safety.

Even armed with this knowledge, it's not always easy to spot a flood-damaged car. Your best bet: avoid buying used cars from recently flooded areas.

Test Drive a Used Car

Test-driving a car is one of the most important steps to take when used car shopping, but it might be trickier than it seems. Be sure to know what to look for and think about when you're behind the wheel. The list can get long. Prepare ahead by making a list.

Consider What's Most Important

When you're evaluating different used cars, you'll have an idea of what you care about that may not relate to the mechanical reliability of the car. Perhaps safety will be more important than looks, or comfort more important than the model year. Either way, knowing what is important to you before you start test-driving cars is a good way to save time and find the right car for your needs.

If you're shopping with someone else, like a parent or partner, their desires will influence your decision, too. Syncing up with your potential co-owners around your wants before you start test-driving cars can also save time.

No matter what elements you prioritize, the test drive should be the place to see if this is the car for you. For instance, if you know you have a long commute every day, maybe the comfort of the seat is going to be very important. Make sure you test-drive the car in similar conditions to your commute.

How the car feels to you is going to make a big difference over the long run. **If you're not comfortable either physically or mentally with the car, move on to the next.**

Evaluate Mechanical Features

While you're judging the characteristics that matter to you as a driver, you'll also have to pay attention to the mechanics of the car. This ranges from the wipers and blinkers to how well the engine runs, the gears shift, and brakes stop.

Some questions your test drive should answer include:

- Does the car **start on the first try**?
- How **easily and smoothly** do the gears **shift**?
- How does the car **idle**?
- How well does the car **accelerate**?
- Do the A/C, defroster, electric windows or seats, cruise control, and all the other **knobs on the dashboard** work?
- Does the current owner have **maintenance records**?
- Do you hear any unusual **noises** or see unusual **exhaust**?
- Is there an unusual **smell** like mold or mustiness?
- How **smooth or bumpy** is the ride?
- In what shape are the **tires**?

Don't forget to take a look at the car separate from the test drive. Make sure the spare tire is there and in good condition. If you know your way around an engine, set aside some time to give it a look.

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

Seek Expert Advice

Even if you're buying a used car from a very trustworthy source, there are steps you can take to reduce risk. One idea is to consider paying a little extra to have an experienced and trustworthy mechanic look over the car for you.

You should also consider purchasing a [vehicle history report](#). This step helps you know where the car has been and whether it was in any accidents that could impact its value and safety.

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Used Car Inspection

Buying a used car is a great way to save money. However, before you make a used car purchase, it is important to know that the vehicle is safe and is not in need of major and costly repairs. By getting a used car inspection you can have a much stronger sense of the shape of your potential used car.

What a Used Car Inspection Should Cover

A thorough check-up examines mechanical, safety, and appearance aspects, such as the vehicle's:

- Tires.
- Frame.
- Suspension.
- Glass.
- Lights.
- Brakes.
- Radiator.
- Hoses.
- Belts.
- Fluids.
- Battery.
- Body condition.
- Exterior surface.

The best inspections include a road test and a computerized engine analysis. Some comprehensive examinations also evaluate the condition of the instrument controls, pedals, seats, and sound system.

Where to Get a Used Car Inspection

Take the car to a trusted repair shop, if you have one. Otherwise, most dealer service departments and independent repair shops will be happy to do the inspection. Just look online or through your phone book to find local shops that perform inspections.

If the seller refuses to let you take the car away, suggest that the seller accompany you to the shop. Or, use a shop that provides mobile inspections. While these examinations aren't as complete as those performed on a lift, they still can be quite helpful.

If you're not buying from a local seller, you can order a pre-purchase inspection from a certified inspection shop located near the seller, and the shop will send the report to you. The price of pre-purchase car inspections will vary, and may seem a little expensive. Just remember that this extra cost can save you from buying a car that will cost you much more in repairs.

What to Do with the Report

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

A glowing report should facilitate the sale of the car, and make both the buyer and seller feel more at ease with the transaction.

A report that uncovers some minor flaws can be used as a bargaining tool to lower the price.

Or, you can insist that the seller take care of the issues before you pay the asking price.

A troublesome report, meanwhile, should make you reconsider the purchase, unless the seller is willing to fix all the problems, or you're adept at car repairs and the seller lowers the price accordingly.

Personal Car Inspection

Just because you're not a mechanic doesn't mean you shouldn't pay close attention when evaluating a used car. No one is more invested than you in finding a good car to buy, even if you bring someone along to help.

When conducting your own inspection be sure to check for:

- Leaks.
- Odd engine noises.
- Smoke.
- Tire wear.
- Misaligned doors.
- Cracked glass.
- indications of flood or fire damage.
- Poor repair work.
- Unusual smells.

Additionally, you should remember to check the fluid levels and search the exterior for dents, rust, and scratches.

You should always take the car on a thorough [test drive](#)—that includes driving at different speeds and on varying roadway types— and make mental notes on how the car steers, brakes, and handles.

Used Car Worksheet

Because private sellers are not bound to the same strict oversight as dealerships, you, to protect yourself, must adopt a scrupulous mindset when inspecting a used car of interest. To help you discern if the vehicle is worthy of buying, bring the following items with you for inspecting the vehicle:

- A notebook and pen for taking notes and recording the vehicle identification number, mileage and asking price
- Paper towels for checking the engine oil
- A small flashlight for looking under the car for leaks and corrosion
- A small magnet for detecting concealed body work
- A CD for testing the car stereo
- Inspection checklist (detailed below)
- If possible, an [auto history report](#)

With these tools in hand, run down the following checklist. To make sure you hit everything, print this page and take it with you when conducting your inspection.

Exterior

- Windshield free of cracks
- Body panel colors match
- Magnet adheres to all steel body panels
- Fresh paint job (if yes, it could be to conceal rust)
- Seams where the trunk and hood close are properly aligned
- Seams where doors and fenders meet are properly aligned
- Free of body scratches
- Free of body dents
- Windshields wipers and blades fully functional
- Headlights and directional lights intact and fully functional

Tires

- Tires are a reputable brand name (Michelin, Bridgestone, Goodyear)
- Tires are all of the same make
- Tires are free of any cuts, bubbles or cracks
- Tread worn evenly (uneven wear indicates alignment and suspension problems)
- Spare tire, jack and lug wrench on car and fully functional
- Spare tire inflated

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Engine

- Free of fluid or oil leaks
- Oil filler neck not coated with thick, black deposits
- Battery terminals free of corrosion
- Oil dip stick free of dark, black oil
- Free of odors while engine is running
- Exhaust pipe emissions are neither blue (indicates engine burns oil) or black (indicate excessive oil consumption)

Suspension

- Vehicle rests levelly
- When bouncing the vehicle's corners, no creaking noises are made
- All corners respond the same when bouncing

Interior

- Seats unworn and free of cracks
- All doors open and close freely
- Trunk opens and closes freely
- Lacks a heavy scent of air freshener (may indicate something is being concealed)
- All gauges work
- No dashboard warning lights remain illuminated
- Stereo works
- Heater works
- Air conditioner works
- Windshield wipers work
- Windshield wiper fluid dispenses properly
- All seats equipped with functional seat belts
- All seats adjust properly
- Power windows operate properly
- Sunroof opens and closes properly (if applicable)
- Car alarm works (if applicable)
- Trunk and driver-side door lock and unlock with key
- Hazard lights function properly
- Headlights, including brights, work properly

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

Frame

- Chassis is neither bent nor cracked
- No signs of crumpling or straightening inside the trunk
- Frame holes just inside outer edge clean and free of scratches

Automatic Transmission

- Transmission fluid looks clean, not dirty or gritty (no indicates possible internal transmission problem)
- Transmission neither slips nor delays when driving

Manual or Standard Transmission

- Each gear shifts smoothly
- No grinding noises when in reverse

Brakes

- Vehicle steers straight and does not pull to one side when applying brakes
- Parking brake engages and disengages freely
- No grinding noises when applying
- Wheels do not lock when applying antilock brakes (if applicable)

Steering

- Vehicle does not drift to one side without prodding
- Vehicle is stable; no shaking or vibrating
- No resistance in the steering wheel when turning
- No clicking or clunking when turning

Miscellaneous

- Car manual located in the glove compartment
- Instructions included for any accessories
- Service and repair records available
- Owner has [title](#)

Other Insights

- Walk away if the seller objects to your inspection
- Don't feel rushed while inspecting
- Try to get a mechanic to assess checklist results
- Use any flaws against the asking price

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Paperwork When Buying a Car in Massachusetts

Required Paperwork for MA Car Buyers

When you buy a car and you're ready to head to the MA RMV to title and register it, be sure that you have:

- The car's **title** correctly filled out. See "**Massachusetts Car Titles**" below for more information.
- **Insurance** for the car.

Massachusetts Car Titles

A car's **title is the most important** piece of paperwork you'll need from the seller.

Not only do you need it to **register** your newly bought car, it can also help you verify information such as the seller's name and the odometer reading.

NOTE: You should not buy a car without a title unless it is an older car exempt from having a title. The seller should [apply for a duplicate title](#) before you buy the car.

When you buy the car, make sure that:

- **BOTH** you and the seller **sign and print your names** on the title.
- The seller fills in the **odometer reading** on the title.
- The **purchase price** is documented on the title in the space provided.
 - If there is no space for the price, get a [bill of sale](#) from the seller.

If you **buy a car from a dealer**, they will normally take care of the required paperwork for you. However, if you **buy from a private individual**, you must be sure to title and register the car yourself.

MA Title Transfer and Registration

You will usually **transfer the title and register the car at the same time**.

You have **10 days to title the vehicle**; however, if you are transferring the registration, you must do so within 7 days of getting rid of your previous car.

To title and register your car, you will need:

- The **signed title and/or bill of sale**.
 - If you buy an **older car** that is not required to have a title, you'll need the car's **previous registration** and a **bill of sale** instead of the title.
- The title and registration [Application for Registration and Title Form](#) (Form RMV-1), which must be accompanied by the title.
 - Must include a stamp to certify that you have **insurance**.
- Title and registration fees:
 - **Title transfer** fee: \$75.
 - **Sales tax**: 6.25% of the purchase price.
 - **Registration** fee:
 - \$25 if you transfer a registration and license plate.
 - \$60 for a new, regular registration and standard license plate.

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

- Fees vary for special license plates and registration for other types of vehicles.

After Massachusetts Registration

Once the car you have bought is registered, you'll have a few more things to take care of before you've completed the car buying process.

License Plates

You will either get **new license plates** OR **license plate stickers** (if you transferred plates) at the Massachusetts RMV. Be sure to **put your new plates or stickers on your car.**

Safety and Emissions Inspection

Your car must pass a state-licensed [safety and emissions inspection](#) within 7 days of registering it, even if its previous inspection is still valid.

Vehicle History Reports

A [vehicle history report](#) can give you important information about a car you are thinking about buying.

Using a car's unique vehicle identification number (VIN), vehicle history reports usually tell you about:

- Significant **damage from accidents.**
- **Flood damage.**
- Whether the car has ever been **stolen.**

Sometimes cars can be repaired to look like new on the outside but still have internal damage. Knowing the complete history of a car can help you make a more informed decision about your purchase.

Massachusetts Lemon Law

The Massachusetts lemon law allows you to return a car for refund if:

- It receives a rejection sticker within 7 days of the purchase date.
- The cost of the repairs must also be more than 10% of the purchase price.
- You have a written statement from the inspection station that:
 - Describes the reason the vehicle failed.
 - Estimates the cost of repairs.
 - Is signed by the inspector.

If your vehicle meets these conditions, you must bring it back to the seller within 14 days of the purchase, along with the letter from the inspector and a letter written by you requesting a refund under the lemon law.

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

Used Cars Buying Scams

Buying a car is an exciting time, sure, but it can bring a lot of stress, too... especially buying a used car. After all, someone else— *maybe more*—have owned this car. You want to know exactly what you're getting. Although buying a used car can save you a lot of money in the short and long run, it's not always a smooth process. Whether you're dealing with a dealership or a private party, you're at risk for scams. Protect yourself by doing a little research on some of the most common kinds of used car buying scams out there before you buy a car.

Types of Used Car Buying Scams

Title Washing

A title washing scam is one that **gets rid of a salvaged vehicle's "salvage" status**.

Generally, vehicles that have been repaired after serious car wrecks or natural disasters, such as floods, take on a salvage status. While not all salvage vehicles are nightmares, per se, buyers **do** want to know what they're taking on when buying one. However, by title washing, the seller can hide the fact that the vehicle has been through any sort of damage.

Curbstoning

Curbstoning scams involve **car dealers posing as private sellers** to avoid national and state regulations related to buying and selling cars. Often, these dealers will post advertisements selling the vehicles as if they are the owners themselves.

Before you buy a car from a private seller, check to make sure the seller's driver's license matches the name on the car title.

Odometer Fraud

An odometer fraud scam occurs when someone has tampered with a vehicle's odometer to **make it look as if the vehicle has lower mileage**. Although digital odometers were once thought to be less susceptible to tampering, they're actually just as easy to manipulate.

Whenever possible, ask for vehicle maintenance records for the used car you're considering, and try to match up the recordings to the actual current odometer reading.

Escrow Scams

When a seller pulls an escrow scam, he's directed you to **deposit money into a fake "escrow account."** Once the money arrives, the seller—and the vehicle—disappears.

Perhaps the best way to avoid an escrow scam is to **do all business face to face**, including the exchange of money. If you must use an escrow account, make sure you use a **secured payment network**. Research the network to find out exactly what happens if you get scammed.

Fake Certified Used Car

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

Simply put, legitimate certified used cars can sell for more than their uncertified counterparts; therefore, **some dealers think they can slap on a "certified" sticker and sell their used cars for more—and they often do.**

Protect yourself from this scam by understanding that **certified used cars come from franchised dealers only.** If you're looking for a true certified used car, visit a franchised dealership for that vehicle.

Lowball Price Scams

This one's too easy. You call the dealership, get an extremely low quote, visit the dealership to look at (and possibly fall in love with) the vehicle, **only to find out the salesperson can't get that price approved by the manager.** However, now that they have you at the dealership, they assume you're likely to buy a car anyway.

Research the value of all used cars in which you're interested before you visit or even call the dealership; that way, you'll know if what the salesperson tells you is feasible and whether or not the dealership's manager actually can offer you the deal.

Open Recall Scams

Unless it's a serious safety issue, dealers are often legally allowed to sell vehicles with open recalls; however, any recall on a used vehicle you buy could put a nail in your tire, so to speak. Before you purchase a used car, **research the vehicle for any open recalls** and, if you're still interested in the vehicle, negotiate accordingly with the dealer.

Warranty Scams

Sometimes, private sellers advertise their late model vehicles as still having active factory warranties. While this might be the case sometimes, **other times warranties have been voided due to issues such as accidents, modifications, commercial use, and other factors.**

Don't just assume the seller's telling the truth. Contact the manufacturer to find out if that specific vehicle still has an active warranty, and ask for any additional warranty information specific to the vehicle.

Stolen Deposit

If a private seller claims he needs a deposit up front to take the used car off the market, steer clear. **Unfortunately, some "sellers" will take the money and run.**

Whenever possible, handle monetary transactions face to face and all at once. If the seller insists on a deposit, it might be time to look for a used car elsewhere.

VIN Cloning

Basically, this refers to **purchasing a stolen car.** The thief has taken the vehicle identification number (VIN) from another vehicle and attached it to the stolen vehicle.

You can help protect yourself against [VIN cloning scams](#) by looking for matching registration and title information as well as using common sense such as being wary of private sellers with no fixed addresses.

How to Check for Used Car Tampering

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

Aside from trusting your gut, perhaps one of the simplest ways to check for used car tampering is to **order a vehicle history report**.

A vehicle history report gives you information about **past ownership, accident history, flood and other natural disaster damage, faulty odometer settings**, and even whether the vehicle was determined to be a **lemon**.

Reporting Used Car Buying Scams

There are several ways you can handle used car buying scams. If you purchased the used car at a dealership, **report the dealership to the [Better Business Bureau \(BBB\)](#)**. You can use the BBB to report your own scams, as well as research used car dealers to make sure others haven't reported any used car buying scams from that dealership.

Also, you might consider [contacting your state's attorney general](#), who is the state's chief legal advisor and law enforcement entity. **Don't forget the power of social media, too.** There are numerous reputable websites that exist to help consumers share experiences and encourage—or warn—others about businesses practices.

Finally, if all else fails, consider **seeking legal assistance**. Unfortunately, sometimes you get scammed so severely that the only answer is to seek the legal help of an attorney with experience in used car buying and selling laws in your state.

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

Dealer vs. Private Party Purchases

Dealership & Private Party Used Car Sales

When you decide to buy a used car, **you can buy from either a used car dealer or a private party.**

Generally, buying a used car from a dealer takes a lot of pressure off of you—the buyer—because typically the dealer handles all the nuts and bolts of car buying (such as paperwork); on the other hand, private party car sales mean you and the seller must take care of the entire transaction yourselves. On the flip side, you may find it much easier to negotiate a price you want with a private party, especially if they have a pressing need to sell. This is just a glimmer of what to expect when buying a used car from a dealer versus private party car sales. Let's take a look at some of the other pros and cons of each.

Dealership Purchases: Pros & Cons

Pros

Pros to buying your used car through a dealership include the following:

- As stated above, generally **the dealer handles all the paperwork** associated with ownership or title transfer and registration for you.
- Most dealerships offer **financing options**.
 - You can always look into [bank auto loans](#), but it's still nice to have options you can compare.
- Sometimes, dealerships offer **warranties** on their used cars.
- Usually, cars from a used car dealer have been thoroughly **inspected** and, if necessary, **repaired**.
- Some dealers sell [certified pre-owned vehicles](#).
 - This means the used car has been through an official series of inspections and possible repairs, and comes with a special warranty.
- You might have to **visit only a few dealership locations** to find the right used car for you.
- You might already have a used vehicle you can use as a **trade-in vehicle**, which could act as part of the "new" used car's down payment.
- Buying a used car from a dealer offers you **more legal protection** than buying from a private party.
 - For example, because of the stringent laws dealerships must follow, you're less likely to run into problems such as purchasing a lemon or undisclosed salvaged vehicle.

Cons

Consider these cons of buying with a dealership before making your purchase:

- Sometimes, used car dealerships charge **higher prices** than do private parties (and leave **less room for negotiation**).

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

- You must **deal with a professional sales team**, which could get pushy as they often rely heavily on sales commissions.
 - Unfortunately, these sales personnel may not have your best interests at heart; they want to make the sale so they can make their commission.
- It's easy to **get distracted by special deals** and lose sight of your bigger picture.
 - You might walk onto the lot knowing what you want, but a dealership's holiday sales, sales pitches, and buyer incentives could derail you.

Private Party Purchases: Pros & Cons

Pros

The following are pros to buying your used car through a private party:

- Many private parties use **"blue book" value** (generally from the [Kelley Blue Book](#)) to determine their asking price.
 - The KBB is an excellent resource for determining the true value of a used car.
- Sometimes, you have **more negotiating room** with private sellers.
 - Again, you can refer to the KBB to get a seller's original asking price lowered.
 - Also, sometimes sellers are eager enough to move their used cars that they'll accept an "OBO" ("Or Best Offer").
- Although they want to sell their used cars, many **private sellers aren't as pushy** as dealership salespeople can be.

Cons

Of course, buying from a private seller isn't free of risks. Consider the following cons:

- Private sellers **aren't bound by the same strict state and federal laws** as are dealerships.
- You **won't receive a warranty** on the vehicle.
 - Most private sellers sell their used cars "as is," meaning, you're stuck with whatever problems pop up.
- Generally, **there are no trade-in options**; sellers want cash, not your current vehicle.
- Typically, **a lot more footwork** goes into finding the right used car from a private seller.
 - Unless you get lucky, you could find yourself visiting way more private sellers than you would used car dealerships—and you must research each and every one of those used cars.
- Ordering a vehicle history report is easy enough, but **having a trusted mechanic inspect the vehicle depends on the seller's time**—not yours.
- You and the private seller are **responsible for all the paperwork**.
 - Such paperwork can include the [bill of sale](#) and/or [transferring the title](#), as well as transferring the [registration](#) and handling all related taxes and fees.
 - Most often, these transactions mean a trip to your department of motor vehicles or equivalent agency.
- Depending on your state of residence, it's up to you to make sure the vehicle is up to date on its [smog and inspection requirements](#).

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

Buying a Car Out of State

Buying a car out of state opens up a whole new road of possibilities. You might find buyer incentives at out-of-state dealerships your local dealerships don't offer; similarly, you could find a private seller with the exact make, model, and mileage you can't find at home. Of course, buying a car from out of state requires the same kind of research and shopping you'd do if you were buying one closer to home.

State Requirements Checklist

Understand that the following checklist is a guideline only; **you must check with your own department of motor vehicles or equivalent entity for specific instructions on bringing home a vehicle purchased from out of state.**

1. Smog & Emissions

Many states require vehicles to undergo and pass smog checks and emissions inspections before they can be titled and registered in that state.

When you buy a car from a state that requires smog checks, that car might already have a valid emissions inspection sticker; if so, check with your state to see if the current state's emissions sticker is valid/accepted in your state, too.

If the inspection isn't valid/accepted, or the vehicle hasn't had one or comes from a state that doesn't require one (and your state does), you'll most likely need to bring your vehicle in for a smog check before you can title and register it.

2. Safety Inspections

Similar to smog and emissions checks, safety inspection requirements vary by state. Some states require them; others don't. Some states that require them do so before titling and registering the vehicle; others just require them on a regular basis (e.g., annual, biennial, etc.).

3. Title & Registration

Generally, when you're buying a car from an out-of-state dealership, **the dealer handles all title and registration paperwork for you.** Of course, much of this paperwork will be temporary, given you'll need to title and register the vehicle in your home state upon returning.

However, **if you're buying from a private seller, you'll need to handle title and registration paperwork on your own.** Often, this means a delicate balance between working with the seller's state's motor vehicle agency and your own.

4. Sales Taxes

Even though you're buying a car from out of state, **you'll pay the sales tax to the state in which you'll register the car—i.e. your home state.**

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

Sometimes, dealerships handle this process for you and pass along the sales tax to your home state; still, you should always keep records that you paid the sales tax to show your state's [title and registration office](#). Keep in mind **the dealership will probably calculate the taxes based on their home state's tax rates**. If your state has higher rates, **you will be responsible for paying the difference when registering your car**.

However, if the dealership doesn't handle it for you, or you buy a car from a private party, you must pay the sales tax to your home state's appropriate state agency before you can title and register the vehicle.

Your state's motor vehicle agency will advise you on specific sales taxes; however, some states provide tax calculators online for extra convenience.

5. Car Insurance

When you're buying a car out of state, perhaps the best piece of advice related to car insurance is to **call your insurance agent before you purchase the car**.

Some insurance providers put clauses in existing policies that cover newly purchased vehicles for certain periods of time to handle situations such as this; others don't, and require you to purchase insurance on the vehicle before you buy it.

Remember, nearly all states require car insurance or some other form of financial responsibility before you can title, register, and legally operate the vehicle.

Tips for Buying a Car Out of State

If you are thinking about buying a car from out of state, consider these tips:

- **Know what you want.**
 - Your car shopping should be done at this point. It is probably not a good idea to travel out of state if you aren't certain you want to buy the car.
- **Communicate with the dealer** before you make the trip.
 - Make sure the dealership is holding the car for you, and that you both have all necessary documents and paperwork to make the transaction smooth.

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

Buying a Car Online

The Internet has revolutionized car shopping. More and more car purchases are now completed online. It offers convenience, lightning-quick comparison shopping and, best of all, savings. Dealership Internet sales departments garner their commissions based on volume rather than price, making the Internet a car-buyer's market.

Even if you don't end up buying a vehicle online, shopping for a car online will allow you to get an idea of the current price ranges and exactly what you are looking for in a car. On this page you'll find a general overview of online car shopping and some things to think about before you buy.

Shopping for Used Cars Online

If you're looking for a used car, here's what to do:

1. Visit an online car sales website.
2. Depending on the site, choose your preferred vehicle by make, price, or category (compact, pickup truck, convertible, etc.).
3. Make your selection and type in your zip code.
4. A list of vehicles matching your choice will appear, displaying photos, usually several from different angles, and pertinent information like make, model, mileage, price, and contact numbers.
5. After choosing a vehicle, you'll be given the choice to either call or e-mail the dealership, expressing your interest.
6. If you're certain the vehicle is right for you, you can purchase it online. Although, it is highly recommended to visit the dealership and test drive the car before making a final decision.

Shopping for New Cars Online

The process for shopping for a new car online is identical to buying a used car, only you have more websites to choose from. In addition to car dealership websites, you can also directly shop and order from a car manufacturer's website, allowing you to customize color and accessory choices.

Once You Choose a Vehicle—Order a VIN Check

After deciding on a vehicle, make an arrangement for a test drive. While doing so, ask to inspect the vehicle's service records. If the seller refuses, interpret it as a warning sign and walk away. Regardless of how certain you feel about the car, it's imperative you run a [vehicle history report](#) before signing your name to a used car deal. A vehicle identification number (VIN) check, or vehicle history report, should show any problems with the vehicle, such as odometer tampering, accident history, and how many people have owned the vehicle.

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

Auto Financing Options

If you need help financing your car purchase, most online car buying sites also offer online car loan applications. It's a user-friendly process, allowing you to easily calculate potential loan-amount scenarios. This way you can confidently decide if your car of choice meets your budget or if leasing would be a better option.

***Or, to ensure finding the best loan at the best rate, consult Bankrate.com. This site allows you to research the current rates local and national lenders are offering.

The Pros of Shopping Online

Advantages of shopping for a car online include:

- No shadowing by trained sales teams.
- You can shop at your own pace from the convenience of home or work.
- No closing hours.
- You can compare prices from a number of sellers.
- You can define the size of your search area.
- Save yourself some money on gas.
- Empowers you with market knowledge.
- Online prices are generally lower.

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

Used Car Vehicle History Report

Vehicle History Reports for Used Cars

Vehicle history reports (VHRs)—also known as car checks, VIN checks, and car history reports—are useful when buying a used car. Vehicle history reports have information about a car's previous owners, mileage, accidents, maintenance records, and more. [Get the car history report](#) before buying any used car. Getting a [vehicle history report](#) (also known as a **VIN check**, **VIN report**, **used car reports**, and **car history reports**) for a used car is as important as a test drive.

Vehicle History Report Information

Vehicle history reports (VHRs) or vehicle identification number (VIN) checks reveal information about a used car's previous owners and make/model details, as well as detailed information including:

- **Lemon status.**
- **Accident history and service records.**
- Total loss and major repairs.
- **Mileage** and average miles per year.
- Lien and **ownership history.**
- Warranties remaining on the car.

Many car history report companies also include information about the fair market price range of the specific year, make, and model of vehicle in the history check. Comparing price and car history can help you **negotiate the best price.**

NOTE: VIN checks or VHRs can also inform law enforcement whether a used vehicle has been **reported as stolen.** Be wary of a private seller that is reluctant to provide you with a vehicle's VIN number.

Ordering a VHR for a Used Car

If you are buying a used car from a private seller and want the car history, you'll need to pay for a vehicle history report/VIN lookup from companies like CarFax or AutoCheck. Cost of vehicle history reports vary by provider.

VHRs are helpful for both buyers and sellers:

- If you're **buying a used vehicle**, a VHR will provide you with insight on whether you're getting a good deal.
- If you're **selling a used car**, a VHR will prepare you to answer any questions a buyer may have about the car.

NOTE: Always beware of websites offering free VIN checks or free VIN history reports—these may be scams.

DID YOU KNOW? VIN Lookup vs. Vehicle History Report

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

A car VIN check or VIN search may also refer to database checks performed by law enforcement and DMV offices to **check for stolen vehicles**. These agencies will often run a free VIN check to check if a vehicle is stolen if you provide them with the car's information.

Red Flags on Vehicle History Reports

When you obtain your VHR for the used car you are considering purchasing, exercise caution if any of following red flags appear on your vehicle history report:

- **Odometer tampering.**
- **Failed emission tests**—If you reside in an area requiring emission inspections, you may face a hefty repair bill to make the vehicle street legal and mechanically able to pass a smog check/vehicle inspection.
- **Proof of major accident**—Hidden costly and dangerous damages, like cracked frames, are common.
- **Salvaged vehicles.**
- **Flood damage**—Potential engine damages due to flood damage are difficult to detect and generally expensive to repair.
- **Irregular or missed vehicle maintenance.**
- **Forged vehicle history reports**— If a vehicle history report looks fake and is coming from a stranger, it may be worth ordering your own.
- **Stolen vehicles**—If a law enforcement VIN lookup finds a vehicle is stolen, DO NOT BUY IT.

If you have any lingering questions about something that appears on a vehicle history report/VIN check, contact the company that provided your VHR immediately.

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

Used Car Taxes and Fees

One of the most attractive reasons for buying a used car is saving money; however, aside from the lower asking price, **you'll still have to pay certain used car taxes and fees**. Be prepared for these fees as you budget how much money you can actually spend on your used car.

Dealership Fees

Below are some of the most common fees you'll face when buying a used car at a dealership. Understand that **these are just a few of the common used car dealership fees**. Take time to carefully read your sales contract and question any additional fees you don't understand or don't feel are necessary. (HINT: They aren't all warranted and many are negotiable.) Also note that, in addition to these fees, you must pay your standard DMV-related fees (such as any title and registration fee) as well as any state-mandated sales tax.

Documentation Fees

The documentation fee, or "doc fee," is fairly straightforward. Simply put, **it handles all the preparation related to filing all the paperwork**, which includes your used car sales contract. Note that some states regulate documentation fees, while others don't.

Advertising Fees

Advertising fees can get tricky, but basically **they cover the cost of advertising the manufacturer or dealership used to get you on the lot**. Sometimes, manufacturers charge this fee; at this point, it's usually best to pay it. Other times, dealerships charge this fee; when this is the case, you might be able to negotiate your way out of it.

Trade-In Fees

If you're trading in your current vehicle for a "new" used car, the dealership might try to **charge a trade-in fee to make your trade-in vehicle more marketable**. Because you're trading in a vehicle to help offset the cost of the "new" used vehicle (for example, as help with the down payment), why would you pay extra money for the dealership to accept the vehicle? Some experts agree it's best to dispute this fee. Additionally, **there are states that charge a vehicle tax on the difference between your "new" used car and your trade-in vehicle**. Consider contacting your department of motor vehicles or related agency about this car tax before heading to the dealership.

Warranty Fees

Many used cars from dealerships (especially [certified pre-owned vehicles](#)) come with warranties, but your dealer might try to talk you into a service agreement (commonly referred to as an [extended warranty](#)), **which goes above and beyond the basic warranty coverage**.

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

However, unless it makes more financial sense for you to pay for this warranty upfront rather than deal with *possible* repairs and replacements as they arise, you probably don't need this coverage.

Credit Insurance Fees

Many buyers finance their vehicles, and **credit insurance covers those loans in the event they become disabled or deceased before they can pay off their loans.**

Credit insurance might sound attractive, but always check with your [car insurance](#) provider before paying this fee to avoid paying double coverage.

Vehicle History Report Fees

Used cars have had at least one other owner, meaning they have history.

Sometimes, used car dealerships will provide buyers with a vehicle history report (VHR)—a report that shows the entire history of the vehicle from lien and ownership history to accident history and maintenance records.

If your dealership doesn't provide this service, [ordering a vehicle history report](#) on your own is **well worth the nominal fee.**

Private Sale Fees

There are plenty of perks to [buying a used car from a private party](#)—one of which being that you can skip most of the fees listed above and save even more money.

However, there are a few costs you should consider paying.

For example, [ordering a vehicle history report](#) is just as important when you buy a used car from a private seller as it is when you work with a dealership. Also, you'll want to **hire a trusted mechanic** to inspect the vehicle and make sure there aren't any problems you didn't notice with your untrained eye. Of course, you must still handle all DMV-related fees and state-mandated sales taxes.

DMV Fees

Generally, a dealership will help you deal with **DMV-related fees such as your title transfer fee and registration fee**; if you purchase your used car from a private seller, you (and sometimes the seller) must handle these transactions on your own. Each state handles these fees differently, but we've done the research for you. (Of course, **you can't forget your [registration renewal fee](#)**, as it technically contributes to the overall cost of maintaining your used car.)

Used Car Sales Tax

Similar to how they can help you with DMV-related fees, dealerships can also help you **figure out your used car sales tax**; however, if you purchase your used car from a private party, you'll have to handle this step on your own. Also similar to DMV-related fees, **used car sales taxes vary by state.**

Car Insurance or Financial Responsibility

All states require **car insurance or some form of financial responsibility**, and this regular payment contributes to the overall cost of legally maintaining your vehicle—sometimes,

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

significantly. For example, if you purchase your used car outright, you might be able to get away with just basic liability coverage; on the other hand, if you financed your used vehicle, your state might require liability, comprehensive, and collision coverage until you've paid off the loan.

Lemon Law

What is the Massachusetts Lemon Law?

The Massachusetts Lemon Law is designed to protect buyers against purchasing new or used motor vehicles that have substantial defects and are unsafe to be driven on Massachusetts roads. The Lemon Law is administered by the [Massachusetts Office of Consumer Affairs and Business Regulation](#).

The Massachusetts Lemon Law has three parts:

- New and leased vehicles.
- Used vehicles.
- Lemon-Aid.

Each of these laws is discussed in detail below, as well as all the general information you need to know about protecting yourself from wasting your money on a bad motor vehicle.

What is a Lemon Car in MA?

In Massachusetts, lemon laws exist to protect you if you purchase a vehicle that has a substantial defect the manufacturer is unable to repair. This defect must substantially impair one of the following:

- Ability to use the vehicle.
- The car's market value.
- The safety of the vehicle.

The term of protection for your new or leased vehicle is **1 year or 15,000 miles from the date of delivery**, whichever comes first. In this time period, the following must be true for your car to qualify as a "lemon":

- You've taken the vehicle in for repair of the same defect **3 attempts or more** and the problem continues to occur.

OR

- Total time spent attempting to repair the defect equals **15 business days or more** (not necessarily consecutive).

Final Repair Attempt

If your vehicle's issue continues after the manufacturer (or dealer) has made a reasonable number of attempts to repair it, you must **give the manufacturer a final chance to repair the defect**. This attempt must not exceed 7 business days.

Even if you're past your term of protection (1 year or 15,000 miles), you may still notify the manufacturer of their opportunity to fix your vehicle.

If the defect persists, you may have the right to EITHER:

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

- A refund.
- OR**
- A replacement vehicle.

Does a Used Vehicle Qualify?

The [used vehicle portion](#) of the Massachusetts Lemon Law covers both dealer sales and private party sales. The state defines used vehicles as any used car, van, truck or demonstration vehicle that:

- Is sold by a Massachusetts dealer or private party.
 - Cost at least \$700.*
- OR**
- Has under 125,000 miles on the odometer at time of sale.*

Dealers are required to provide a warranty for up to 90 days and 3,750 miles. Basically, the dealer is **required to repair any defect that impairs the use or safety of the vehicle during the warranty period**, unless you caused the problems yourself through negligence or making a change to the car yourself (like installing a sunroof that leaks, for example).

The dealer can charge an initial \$100 deductible for repairs or offer to buy back the car for the full purchase price instead of making repairs. **The dealer may only charge the deductible if it is written in the warranty information.**

Private party sellers are required to inform the buyer of any defects that could impair use or safety. If the buyer discovers a serious defect post-sale, and can **prove the seller knew about the defect**, the buyer may cancel the sale and request a full refund within the first 30 days after purchase.

**Applies only to dealer sales.*

Lemon Aid

If your newly purchased vehicle—new, leased or used—fails to pass inspection within the first 7 days after purchase, and repairs to the vehicle would exceed 10% of the purchase price, you can cancel your purchase or lease agreement and ask for a refund, under the [Lemon-Aid](#) portion of the Lemon Law.

To be eligible for a refund, you need to:

- Get a **written statement from the inspection station** explaining why the vehicle failed to pass the safety or combined safety and emissions inspection test.
- Obtain a **written estimate of the costs of the repairs** required to pass inspection, showing that those costs exceed 10% of the purchase price.
- **Notify the seller by mail** of your intention to void the contract under the Lemon-Aid Law.
 - Enclose a copy of the documents listed above.
 - Be sure to save copies for your files.
- **Deliver the car back to the seller**, even if you have to tow it.
 - Take a witness with you and copies of the documents discussed above.

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

- If the seller refuses to accept the car, prepare a **written statement** indicating that you and a witness delivered the car to the seller on that date, but 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.

When the Manufacturer Doesn't Comply

When you are unable to get your issue resolved to your satisfaction, the state does give you some options.

You can elect to pursue:

- **Mediation** - A process that directs the parties involved to reach a mutually agreeable decision with the help of a facilitator.
- OR**
- **Arbitration** - An informal process in which a complaint is resolved by both parties presenting evidence and a neutral third party making a decision.
 - You can choose either a state-run arbitration program or a manufacturer-sponsored arbitration.

If you are still unable to resolve your situation, you can [hire a lemon law attorney](#) and attempt to get your compensation by going to court.

Vehicles Not Covered by the Massachusetts Lemon Law

- Motor homes.
- Vehicles built primarily for off-road use.
- Vehicles used primarily for business purposes.
- Vehicles with defects caused by owner negligence, accidents, vandalism, or unauthorized repair of the vehicle by a person other than the manufacturer or authorized agent.

Benefits of Lemon Law Attorneys

When you're dealing with an automotive manufacturer or dealer, you need to be prepared. An attorney that specializes in Massachusetts lemon law knows exactly how to deal with these issues and provides your best option for getting a satisfactory settlement.

Benefits of having a MA lemon law attorney handle your case include:

- Lawyers know consumer rights.
- Resolutions may come much quicker than dealing with the issue yourself.
- An attorney's representation gives you more bargaining power.

The following information comes from: <https://www.dmv.org/buy-sell/used-cars/>

Bill of Sale Requirements in Massachusetts

Massachusetts **does not require a bill of sale for vehicle sales transaction if a [title](#) is available.** However, if the transaction involves a car that is exempt from titling, a bill of sale (along with the previous registration) must be presented in order for the new owner to register the vehicle. Keep reading to learn more about bill of sale requirements in Massachusetts.

What is on a Bill of Sale for a Car in Massachusetts?

Even if your sales transaction does not require a bill of sale, you should consider completing one. A bill of sale adds protection for the seller, providing supporting documentation for release of liability, and the buyer by acting as a receipt and proof of purchase.

When completing a bill of sale, make sure to provide the following:

- Buyer and seller's:
 - Names.
 - Addresses.
 - Signatures.
- **Date of purchase.**
- **Purchase price.**
- Vehicle identification information:
 - Vehicle identification number.
 - Make.
 - Model.
 - Year.