

# Getting Your Finances in Gear to Buy a Used Car

Buying a used car can be one of the largest financial commitments you make. Know your rights when it comes to used car dealers and financing.

## Your Rights:

- 1 You have the right to buy a car at the price advertised.** Car dealers must display prices on their used cars. A used car dealer may not sell you a car at a price that is greater than the price advertised, quoted, or posted on the car.
- 2 You have the right to know the details of your financing agreement *before* you sign anything.**
- 3 You have the right to written disclosures about important terms of your financing contract.** Federal law requires that you get written disclosure of terms such as your annual percentage rate (APR), the amount of money you have agreed to finance, and the total amount you will have to pay to completely satisfy the terms of the financing contract.
- 4 You have the right to decline financing or a loan arranged by a used car dealer.** You can pay cash or seek financing from another lender.
- 5 You have the right to get credit without discrimination.** Credit discrimination on the basis of race, color, religion, national origin, sex, marital status, age, or use of public assistance is illegal under federal law.

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## Used Car Dealers Must:

- 1 Hold a Department of Consumer Affairs (DCA) license in order to operate.** The dealership must post its DCA license where you can see it. You can call 311 to be transferred to DCA to check a dealership's license status and complaint history.
- 2 Post the total selling price for each used car offered for sale.**
- 3 Post a Federal Trade Commission (FTC) Buyer's Guide on each used car offered for sale.**
- 4 Post a refund policy in the office where sales take place.**
- 5 Maintain records of sales, purchases, and deposits received.**
- 6 Certify that each car sold is in safe condition at the time of sale and agree to repair any defects at the time of sale.**

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## IMPORTANT TIPS

### **Before You Visit a Dealership:**

**You can get free one-on-one professional financial counseling.** Call 311 to schedule an appointment with a financial counselor who can help you develop a budget for your car purchase.

**You can check your credit report for free at [annualcreditreport.com](http://annualcreditreport.com).** Under the Fair Credit Reporting Act, you can get a free report from each of the nationwide reporting companies (Equifax, Experian, TransUnion) once every year. Knowing what is on your credit report is important when it comes to borrowing money.

### **Before You Sign:**

Here are some questions to ask yourself and the car dealer:

- “Have I shopped around enough? Is this the best car and offer that I can get?”
- “What is the total amount that I am going to be paying for my car over the life of the loan?”
- “Do I understand all the terms of the financing agreement?”
- “How much extra am I paying on financing as opposed to buying the car outright?”

### **After You Visit a Dealership:**

**You can file a complaint with the City, regardless of your immigration status.** If you believe you paid well above what your car is worth or were taken advantage of by a used car dealer, file a complaint with DCA at [nyc.gov/dca](http://nyc.gov/dca) or contact 311.

### **Buying a New Car?**

The Federal Trade Commission and New York State Attorney General have information to help you.

#### **Federal Trade Commission**

[consumer.ftc.gov](http://consumer.ftc.gov)  
202-326-2222

#### **New York Attorney General**

[ag.ny.gov](http://ag.ny.gov)  
800-771-7755