
CONSUMER ALERT

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The Attorney General provides Consumer Alerts to inform the public of unfair, misleading, or deceptive business practices, and to provide information and guidance on other issues of concern.

MICHIGAN'S LEMON LAW – AVOID GETTING STUCK WITH A LEMON

Buying or leasing a vehicle is one of the largest consumer transactions most of us will ever make. While many new vehicles are reliable, some will turn out to be lemons. Fortunately, Michigan's Lemon Law provides relief if you purchase or lease a defective vehicle. In some circumstances, you may be able to obtain a replacement vehicle or a refund of the purchase or lease price. To help you understand your rights under Michigan's Lemon Law, answers to some of the most common Lemon Law questions are given below.

QUESTIONS AND ANSWERS ABOUT THE LEMON LAW

Q. Which vehicles are covered by Michigan's Lemon Law?

A. The Lemon Law applies to passenger cars, sport utility vehicles, pickup trucks, and vans that are purchased or leased in Michigan or purchased or leased by a Michigan resident (regardless of whether the vehicle was purchased or leased in Michigan) and covered by a manufacturer's express warranty at the time of purchase or lease.

The Lemon Law does not apply to motor homes, buses, trucks other than pickups and vans, motorcycles, or off-road vehicles.

Q. Under the Lemon Law, do I have a right to return my vehicle within three days of purchase?

A. No. The remedies provided by the Lemon Law, which include the right to return your vehicle and receive a refund of the purchase or lease price, are not triggered until the vehicle is subjected to a reasonable number of repairs.

Q. What is the first step to obtaining recovery under the Lemon Law?

A. In order to recover under the Lemon Law you must report the problem to the manufacturer or its authorized dealer within the term of the warranty or one year from the date of delivery to the *original* purchaser, whichever comes first. After receiving timely notice of the problem, the manufacturer or its authorized dealer must repair the problem even if the repair cannot be performed until after the expiration of the manufacturer's express warranty.

Q. What if the problem I reported to the manufacturer or its authorized dealer continues to persist?

A. You may be able to obtain a refund of the purchase or lease price or a comparable replacement vehicle if the problem persists after a reasonable number of repair attempts.

Q. What is considered a reasonable number of repair attempts?

A. It is presumed that a reasonable number of repair attempts have been taken if one of the following occurs:

(a) The *same* defect or condition continues to exist even though the car has been subjected to repair a total of four or more times within two years of the date of the first attempt to repair the defect or condition.

(b) The vehicle is out of service because of repairs for a total of 30 or more days or parts of days during the term of the manufacturer's express warranty or within one year from the date of delivery to the original consumer, whichever comes first. This option does not require the same problem to be the cause of the days out of service.

Q. My vehicle still isn't fixed after a reasonable number of repair attempts, how do I get a refund or replacement?

A. You must give the *manufacturer* one last opportunity to repair the vehicle by giving the *manufacturer* written notice, by return receipt service, of the need to

repair the vehicle. Notice can be given at any time after the third attempt to repair the *same* defect or condition or at any time after the vehicle has been out of service for at least 25 days in a repair facility.

After receiving notice, the manufacturer must notify you as soon as reasonably possible of a reasonably accessible repair facility to take your vehicle to have it repaired. After delivery of the vehicle to the designated repair facility, the manufacturer has five business days to repair the vehicle. If the vehicle is not repaired within five business days, you may receive a comparable replacement vehicle or a refund of the purchase or lease price.

Q. If the manufacturer offers a replacement vehicle, can I demand a refund instead?

A. Yes. As the buyer or lessee, you have the right to demand a refund or you may choose to accept a comparable replacement motor vehicle currently in production. If you are leasing the vehicle, and agree to accept a replacement vehicle, the lease agreement cannot be changed, except to substitute the vehicle identification number.

Q. What is considered the purchase or lease price for purposes of a refund under the Lemon Law?

A. The purchase price or lease price includes the cost of any options or other modifications installed or made by or for the manufacturer, and the amount of all other charges made by or for the manufacturer, less a reasonable allowance for your use of the vehicle and an amount equal to any appraised damage that is not attributable to normal use or to the defect or condition.

Further, the manufacturer must reimburse you for towing costs and reasonable costs for a comparable rental vehicle that were incurred as a direct result of the defect or condition.

CONTACT THE ATTORNEY GENERAL'S CONSUMER PROTECTION DIVISION

Consumers may contact the Attorney General's Consumer Protection Division at:

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Michigan Attorney General Consumer Alerts are available at www.michigan.gov/ag
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Toll free: 877-765-8388
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