



The car buyers handbook

Buying and maintaining a car
in NSW

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Introduction

Buying a new car can be an overwhelming experience with so many considerations. This booklet is designed to assist consumers through the entire car experience - what type of car to buy, where and how to purchase, and important things to consider while making your decision. The booklet also suggests a number of steps you can take to protect yourself and lists various agencies that can assist you along the way.

The hard work doesn't stop once you have purchased a vehicle. Maintaining a car is also a big responsibility and is as important as driver safety. An unsafe car is as dangerous as an unsafe driver. *The car buyer's handbook* suggests ways to approach maintaining and repairing your vehicle.

What type of car do you want to buy?

The type of car you want to buy depends on your own personal taste and needs, and your budget. A farmer may need a vehicle that will handle difficult and rugged terrain. A tradesperson may need a vehicle that will transport all of their tools. A university student may need a cheap yet reliable car to get them from university to work.

Whatever your needs and personal taste, buying a car is like any other serious purchase – deciding on the most you want to spend will help narrow down the options and make choosing easier.

When planning your budget, don't forget the extra costs like stamp duty, yearly registration, the cost to transfer the registration, insurance and, of course, regular maintenance and repairs.

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1. Where to buy a car

There are a number of options available in terms of where you can buy a car. They each have their advantages and disadvantages.

Buying from a car dealership

Buying a car from a licensed motor vehicle dealership is the safest way to purchase a car and provides many advantages. Unlike buying privately, the dealer has an obligation to guarantee that there is no money owing on the car. In certain conditions the dealer is also obliged by law to provide a warranty, which gives you great peace of mind.

Also the dealer often provides the opportunity to trade in your old car. However, you may not get as much money trading-in your car as you would if selling it privately.

Unlike buying from an auction, you get to test drive the car and make sure it has the power and features you require. Finance can also be obtained through most licensed car dealers again saving time and headaches.

Buying a car from an auction

The benefit of buying a car at auction is that you could pick up a real bargain. The cars come from situations that include deceased estates and repossessed vehicles, and quite often are in satisfactory condition.

The risk with buying at auction is that the cars are not covered by a statutory warranty and generally the auction house will not allow a test drive. You can arrange an independent vehicle inspection at your own cost but not on the day of the auction.

Most auction houses will require a 10% deposit or \$500 at the fall of the hammer.

Buying a car privately

Buying a car privately involves relying on your own judgement and knowledge. You can arrange for a vehicle inspection at your own cost but there are no statutory warranties. Also, making sure that the vehicle is not encumbered, stolen or de-registered is the responsibility of the buyer.

Doing a REVS check (see page 11) will help you ascertain this. Always ask the seller for, and note down, the information listed below. Ensure the information shown in the paperwork matches what is on the actual car.

- The current certificate of registration.
- A pink slip which is no more than 42 days old (unless the car was registered in the last 42 days).
- Proof that the person selling the car is the owner eg. a sales receipt or driver's licence to help identify the seller.
- The registration number.
- The engine number.
- The VIN (vehicle identification number) or chassis number.

Buying from a car market

Car markets bring buyers and sellers together in the one place without the need to drive all over town. However, you are still buying 'privately' and therefore need to rely on your own judgement and knowledge. There will be no guarantee of title or warranties supplied. They are often temporary situations and have become an outlet for backyard operators to dispose of substandard vehicles, or even possibly stolen vehicles.

When do you need a pink slip?

If the vehicle has been registered in the last 42 days, you do not need a safety check report (ie. a pink slip). The pink slip

shows if the car is fit for registration or not. A pink slip must not be more than 42 days old.

If the vehicle is not registered you need to take it to an Authorised Unregistered Vehicle Inspection Station (AUVIS). They will conduct a roadworthiness check and identify the vehicle for the purpose of registration for the Roads and Traffic Authority (RTA). To find your nearest AUVIS, contact the RTA on 13 22 13.

Something to avoid – roadside selling

There are no safeguards with this type of car sale. There are no guarantees of title and no warranties supplied. You could be stuck with a vehicle that has been poorly repaired or even written-off. No matter how good the bargain looks, steer well clear of this method of purchasing a car.

2. Organising finance

Once you have decided upon your budget and the make and model of the car you would like to purchase, it is time to shop around for the best price. Price can vary from dealership to dealership. Special offers will happen at different times through the year and most dealerships will reduce prices just before the next year's models are delivered.

A new car can be quite expensive. It pays to do your homework so that you know exactly how much you can borrow without stretching yourself.

Many car dealerships will offer 'finance' (a loan) to their customers through a credit provider, but it is also worthwhile shopping around to get the best deal. Banks, credit unions, and other financial institutions all lend money and can be cheaper and more flexible than car dealerships.

All credit transactions that are predominantly for personal, domestic, or household use are regulated by the Consumer Credit Code. If the credit is provided wholly or predominantly (over 50%) for business purposes, the Consumer Credit Code may not cover you.

Loans

When comparing loans you need to have a good understanding of the terms used in loan contracts. The total amount you pay to the lender will depend on the amount you borrow, interest rate charged and the length of time that you borrow the money (the term of the loan). Lenders will usually calculate interest charges on a daily basis. Multiplying the debt that you owe each day by the daily interest rate calculates the interest. These interest charges are usually added to your loan account each month.

Important

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Balloon repayments

An increasingly popular method of financing car purchases is a Balloon Loan. You pay reduced monthly instalments for the term of the loan, with a large final payment ('Balloon Payment') that clears the debt.

You may have a number of options available to you in dealing with the balloon payment, namely paying the amount in full, re-financing or rolling over into another credit product.

Car dealerships may provide balloon loans that offer a guaranteed buy-back price on your vehicle. Make sure you are aware of any conditions attached to these arrangements. For example, if you buy a car on the basis that you are promised a buy-back amount for the vehicle after a period of time, you could find this amount is dependent on factors such as the condition of the vehicle and kilometres travelled.

Leasing

Leasing is another type of finance that may suit people who regularly trade-in their car. In a lease arrangement where there is no obligation to buy the car, the ownership stays with the lender and the car is returned at the end of the lease term. You can terminate the lease early by returning the car, but there is a cost involved and this should be explained in the contract. During the term of the lease you are responsible for making the lease repayments and for the car's running and maintenance costs.

When you lease a car the payments are based on the difference between the car's sale price and what the car is estimated to be worth at the end of the lease (its residual value). There can be benefits associated with tax and GST if your car is for business use. You should consult your accountant to determine if these benefits apply to you.

You need to be careful as some leases have conditions that base the residual value of the car on the distance the car will travel and on its condition. If, for some reason, the car is not worth the estimated residual value at the end of the lease then you may have to make up the price difference. If you intend to buy a car on a lease agreement, make sure you are aware of any conditions on the car such as mileage and its condition at the end of the lease period.

If you are leasing a car which gives you an option to purchase, the lease is covered by the Consumer Credit Code. This does not apply to leases which are employment related.

Varying a credit contract

If you find you have problems repaying your loan the law allows for a variation in a credit contract on the basis of hardship, but the following circumstances must exist:

- your inability to make repayments must be due to unemployment or illness or some other reasonable cause
- you expect that you will be able to make repayments if they are altered
- the situation is only temporary and it should improve in the near future.

Contact the lender and try to come to an arrangement to vary the loan contract with them. If you reach an agreement the lender must give you written confirmation of the terms. This could involve reducing the repayments and extending the term of the loan or postponing repayments for a period of time or a combination of both.

If you are having difficulties coming to an arrangement with the lender you can get help from the Office of Fair Trading or a financial counsellor.

Cooling-off period

The *Motor Trade Legislation Amendment Act 2001* came into effect on 28 January 2003. This introduced a one-day, waivable cooling-off period for motor cars purchased by a linked credit arrangement.

A linked credit arrangement is where you purchase a car from a dealership and the dealership:

- arranges your loan for the car, or
- supplies application forms for (or a referral to) a credit provider.

The cooling-off period begins when the contract is entered into and generally ends at 5pm on the next day on which the dealer carries on business. The amendments to the *Act* allow buyers and dealers to negotiate an extension or waive the cooling-off period, however it is advisable for consumers to retain the cooling-off period and safeguard their rights.

During the cooling-off period the purchaser can cancel the contract by giving a signed, written notice to the dealer. If the contract is cancelled, the purchaser will be liable to pay the dealer \$250, or 2% of the purchase price, whichever is the lesser amount.

Contracts and deposits

If you sign anything at a car dealership, it is probably a sale contract. You may also sign a loan application or loan contract on the premises. Contracts are legally enforceable. Read all the documents carefully. Do not sign anything unless you understand what you are agreeing to and you are certain you will be buying the car.

If you have decided to buy a car but you need to have a loan approved first, make sure that it is written into the contract that completing the purchase is conditional on you obtaining the loan. If you have this specified in the contract

Important

It is common practice for dealers to take a holding deposit for the car when you sign a contract. Always get a receipt for this money.

and you cannot get a loan after reasonable attempts, you may be able to cancel the contract and have the deposit returned to you.

Understanding common contract terms	
Principal	The amount you borrow.
Interest	The charge from the lender for using its money. This is usually expressed as a yearly rate and called the annual percentage rate.
Fixed interest rate	This means the rate will remain the same for a set amount of time. This offers greater control over your finances because the repayment amount will always be the same. The fixed interest rate and the time period it applies to must be stipulated in the credit contract. Generally you will not be able to make more than the agreed repayments (ie. pay the loan off more quickly). Check the contract carefully for any conditions that apply.
Variable interest rate	This means the interest rate will move up and down depending on the market.
Split interest rate	You may be able to choose to split the type of interest rate that applies to a loan. This occurs in two ways: a) a fixed interest rate applies for a set amount of time. When that time elapses, the rate can be changed to a variable interest rate. b) part of the amount borrowed has a fixed interest rate applied and the remainder amount has a variable interest rate applied.

3. Important pre-purchase checks

Don't risk it – REVS check it!



The Register of Encumbered Vehicles (REVS) is a service provided by the Office of Fair Trading that can tell you whether or not a vehicle is recorded as encumbered in NSW, ACT, NT, QLD, Vic and SA. Encumbered simply means that there could be money owing on the car or that the registered owner may not own the vehicle outright. If you buy an encumbered vehicle, action could be taken to repossess it, even though the debt is not yours. Completing a REVS check means you can confirm this important aspect before you make a purchase.

You can conduct your own REVS enquiry online 24 hours a day, seven days a week at www.revs.nsw.gov.au

REVS information is also available by telephone from the Fair Trading Information Centre (FTIC) seven days a week, from 8.30am to 5.30pm on weekdays, and 9am to 5pm on weekends and some public holidays (closed on Good Friday, Christmas Day, Boxing Day and New Years Day).

Call FTIC on 13 32 20 and select the REVS menu option.

You can purchase a REVS search certificate (through the Internet or telephone service) for a small fee, which will buy you peace of mind as it provides confirmation of your enquiry and offers legal protection against the vehicle being repossessed by a creditor due to a previous owner's unpaid debt.

Seven easy steps to follow when you buy a car privately

1. Ask if any money is owing on the vehicle.
2. Get the registration number, engine number, and vehicle ID number (VIN) or chassis number from the vehicle.
3. Confirm that the registration number, engine number and VIN/chassis numbers on the vehicle match those on the registration papers.
4. Complete a vehicle search on REVS with these numbers.
5. Purchase a REVS Search Certificate to guard against repossession.
6. Arrange for current owner to repay the debt, if one exists. REVS can tell you how to do this.
7. Complete transaction before midnight the next day.

REVS can also inform you if the vehicle has been:

- reported to the police as stolen
- recorded as de-registered by the RTA due to outstanding fines
- recorded with the RTA by an insurer as a written-off vehicle
- recorded by the Commissioner for Fair Trading as having possible odometer interference.

Note: If the vehicle you are buying is recorded as a repairable write-off and is still within the manufacturer's warranty period, you should contact the manufacturer to check if the warranty is still valid. Some warranties have conditions that invalidate the warranty when there has been an accident.

Important

REVS does not guarantee the accuracy of stolen and written-off vehicle information. To check if the registration is still valid, call the RTA on 13 22 13 or contact your local motor registry.

Where the information provided by the seller does not match up, the RTA can also provide advice on what to do. The RTA can be contacted from 8.30am to 5pm Monday to Friday and 8:30am to 2pm Saturday.

Buying an encumbered vehicle

If REVS says the vehicle is recorded as being encumbered and you still wish to proceed with the purchase, REVS can tell you what steps to take.

Vehicle inspections

Before purchasing a second-hand car it is important to inspect the vehicle thoroughly. Inspections can help you identify problems and assess a car's value more accurately. They can also provide some room for negotiation on the sale price. There are details that are easy to check yourself.

Vehicle checklist*

Under the hood	
Engine number and VIN number	The numbers shown on the Certificate of Registration must match the engine and VIN numbers on the car. Be wary of any signs of interference such as scratches, grind marks or drill holes. These may indicate illegal tampering with the numbers and the vehicle.
Engine appearance	A build-up of dirt may suggest poor maintenance or mechanical problems.
Engine oil	Dirty/thick oil and a build-up of sludge in the engine may suggest poor maintenance. Grey or milky coloured oil may suggest the presence of water, which would indicate serious problems.
Engine idle	The engine should idle smoothly. Listen for irregular running or any unusual noise such as any knocking or rattling noises.
Oil fumes	Remove the oil filler cap while the engine is idling. Fumes may signify worn piston rings or cylinders. Thick, black smoke coming from the exhaust can signify problems as well.
Radiator coolant	Should be clean and brightly coloured. Oil in the coolant may indicate a cracked cylinder-head or a leaky gasket.
Radiator cooler fins or core tubes	Check for corrosion or damage.

Battery mounting platform/ bracket	Check for acid corrosion.
Underneath the car	
Tyres (don't forget the spare)	Uneven wear may indicate worn or misaligned steering or suspension.
Oil leaks	Check the engine, transmission, axles, brakes, power steering and shock absorbers. A leak in any of these areas could indicate a problem and could possibly be a danger.
Exhaust system	Fumes or excessive noise may suggest there is a hole or rust in the pipes or the muffler.
Body of the car	
Rust/accident damage	Check inside the boot, the floor wells, doors and lower sills for red or other dark stains, dimpled or bubbled paint. Use a soft fridge magnet to check panels for plastic body filler.
Hail damage	Hail damage makes a car difficult to insure. Check the horizontal panels such as the bonnet, roof and boot lid.
Panel fitment	Loose panels may indicate accident damage or that the car has been driven over rough roads.
Doors and boot lid	Catches should close firmly. Rubber seals can perish over time.
Paint	Look for colour variation, overspraying, dents or ripples. These may indicate that the car has been in an accident.

Inside the car	
Upholstery, trim, carpets	Check for wear and tear.
Seat-belts	Check that the belts are not frayed or damaged, and that the belts, buckles and adjusters and child restraint anchorage points are in good condition.
Lights	Check that all lights, both inside and outside the car, are working. If the car is fitted with ABS and/or SRS (air bag), check that the dashboard warning light/s illuminate for a short time when the ignition is turned on.
Equipment and accessories	Check air-conditioning, ventilation fan, electric windows, sound systems, etc. Inoperative items can be expensive to repair or replace.
Jack and tool-kit	These items should be in place and in serviceable condition.
Test driving the vehicle	
As part of a thorough inspection many people test drive the car. The following are some things to check when test driving.	
Steering	Excessive 'free travel' or wandering on straight roads can indicate worn suspension or misaligned steering.
Brakes	The car should stop smoothly and in a straight line. The pedal should not sink to the floor or feel spongy and the steering wheel should not vibrate.
Exhaust	Blue smoke indicates oil is burning.

Important

Before taking the car for a test drive, check with the seller that the seller has an insurance policy that covers you if an accident occurs.

Engine	Should run smoothly (accelerating, decelerating and cruising) and the water temperature gauge should stay in the safe range. Rattling or knocking could mean incorrect tuning or excessive wear.
Transmission	Gear changes (manual and automatic) should be smooth, without any rattles or knocking noises. On front-wheel drive vehicles, these noises could indicate worn constant-velocity joints.
Suspension and bodywork	Listen for rattles when you drive over bumps. It is also wise to have the car inspected by a reputable mechanic.

*This checklist was provided by the NRMA.

Warranties

A statutory warranty under the *Motor Dealers Act 1974* requires a licensed dealer to fix certain defects that occur in vehicles they have sold. When buying a second-hand car you can only get a statutory warranty if you buy the car from a licensed motor dealer.

In NSW all passenger cars under 10 years/160,000km and under the luxury car tax limit, have a minimum warranty of 3 months or 5,000km - whichever comes first. This is called the standard warranty and applies to cars with no known defects.

The car and all accessories fitted at the time of sale are covered by the warranty. Superficial damage (such as paint and upholstery) and normal wear and tear are not covered by the warranty.

The warranty does not cover:

- routine services
- tune-ups
- batteries
- tyres (however, tyres must be roadworthy at the time of sale)
- defects that arise from an accident or misuse of the vehicle.

Every second-hand vehicle for sale within a licensed dealership should have a form describing the vehicle displayed. The form includes the dealer's name, cash price, engine number, odometer reading and whether a warranty applies. The form displayed will either be a Form 4, 6, or 8 and this will indicate the term of the warranty applying to the vehicle.

Form 4 indicates the car has a standard statutory warranty as described above.

Form 6 indicates that the standard warranty of 3 months/5,000km applies, but only to defects relating to safety. The dealer should list on the form the items that will not be covered by the warranty as well as an estimate of the related repair costs. A car displaying a Form 6 must also be sold with a pink slip showing that the car is roadworthy.

Form 8 indicates that the car is not covered by a warranty. Generally the car is older than ten years or has travelled more than 160,000km. A car displaying a Form 8 must be sold with a pink slip showing that the car is roadworthy.

In addition, **Form 14** indicates that the car is not covered by a warranty and is displayed on a vehicle priced above the luxury car limit. The car is to be sold in a roadworthy condition.

Extended warranties

Extended warranties are available when you buy a car. Often they are provided by the manufacturer and are sold by the dealer when you purchase a car. Before deciding to buy an extended warranty you should make sure you understand fully what is being covered.

There are often a significant number of exclusions and conditions in extended warranties. For more information contact the Australian Securities and Investments Commission (ASIC) web site at www.asic.gov.au or call 1300 300 630.

4. Negotiating the deal

You have found the car and have completed all the necessary pre-purchase inspections and now you are ready to make an offer. All the research and inspection efforts that you have put in will provide valuable information in negotiating the best price. For example, if an inspection reveals that you may need to pay for certain repairs, you may be able to negotiate a lesser price because of it.

If you need to obtain a loan to purchase the car, make sure you shop around. Many motor dealers are able to offer finance but you may get a better deal from your own bank or credit union.

There is a 'cooling-off period' that applies if you purchase a car from a dealership and the dealership:

- arranges your loan for the car, or
- supplies application forms for, or a referral to, a credit provider. This is called a linked credit arrangement.

Under these circumstances only, the cooling-off period gives you one day to change your mind. The cooling-off period begins when the contract is entered into and generally closes at 5pm on the next day that the dealer is open for business. During the cooling-off period the purchaser can cancel the contract by giving written and signed notice to the dealer. The purchaser will be liable to pay the dealer \$250, or 2% of the purchase price, whichever is the lesser amount.

Buying the car

Have you completed all the necessary inspections? Make sure that:

- the seller and the name on the registration relate to each other

- the identification numbers on the car, and those listed on the registration papers match
- any necessary safety check forms have been provided (such as a pink slip or blue slip)
- a REVS check (page 11) has been satisfactorily completed
- a vehicle inspection has been satisfactorily completed
- a price and a means of payment has been agreed upon between you and the seller.

If you have answered 'yes' to the above questions and are happy to proceed with the purchase, you need to do the following:

- ask the seller to complete and sign the back of the certificate of registration. If the vehicle is registered in two names, both must sign
- ask the seller to give you a receipt that shows:
 - your name
 - the date you bought the car
 - the amount you paid for it
 - the vehicle's VIN or chassis number, and engine number
 - the seller's driver's licence, name and signature
- check that the seller's signature on the receipt matches the signature on the seller's licence
- ask the seller for a pink slip or blue slip that is not more than 28 days old.

Remember that the receipt is the only proof that you now own the vehicle. The RTA certificate of registration shows only the person who takes responsibility for the car, it does not prove ownership.

Before you drive away

Make sure the seller gives you:

- all keys including those for the ignition, glove box, boot and alarm
- the service books, owner's manual and log book
- instructions for working and de-activating any alarm
- location of the hidden ignition switch if there is one
- radio security number.

Insurance

Cars are powerful machines that can cause substantial damage. Even though we may regularly have our cars serviced and drive safely, unfortunately accidents occur. Before you can register your car with the RTA, you must prove that you have purchased a Green Slip - otherwise known as Compulsory Third Party (CTP) personal injury insurance.

The NSW Motor Accidents Authority (MAA) regulates the insurers who provide Green Slip insurance. It also funds a large number of injury prevention and rehabilitation programs for people injured in car accidents.

You purchase a Green Slip direct from insurers, not from the MAA. However, the MAA can provide you with advice on where to find the cheapest Green Slip. If you are purchasing a new car, the car dealer will generally have arranged a Green Slip for you.

There are many insurers competing for your business, so it's wise to shop around. You might be able to save money by visiting the Green Slip calculator at the MAA's web site, www.maa.nsw.gov.au

Based on the information you provide, the calculator will tell you which insurer will sell you a Green Slip for the cheapest

price. If you don't have access to the internet, you can call the MAA's Green Slip help line on 1300 137 600.

If you cause an accident, your Green Slip insurance covers medical costs for:

- your passengers
- other road users, such as drivers, passengers, pedestrians, cyclists, motor cyclists and pillion passengers
- injuries caused through the use of a trailer.

Your Green Slip insurance **does not cover**:

- you for your personal injuries if you cause the accident
- damage to property or other vehicles.

There are two other types of insurance available for your vehicle:

Third-party property - which covers you for the damage your car might cause to someone else's vehicle or property.

Comprehensive - which provides third party property cover and also covers your car for accidental damage, theft and fire.

Think twice about special offers and deals such as those offering insurance with a loan. You may not need the insurance and it will add to your costs.

Registration

Once you have purchased your new or used vehicle, you need to arrange registration. An unregistered vehicle can incur hefty fines, and will leave your car uninsured. If you have an accident in your unregistered car, you will be liable for any damage caused to people or property.

Important

Your Green Slip will only cover your vehicle if it is registered. If you allow your registration to lapse, you are personally liable for any injuries you cause in a motor vehicle accident.

To establish registration

If there are no number plates attached to the vehicle, or the registration has been expired for more than three months, you will need to establish the registration of your vehicle.

To do this you must attend a motor registry in person and provide the following:

- proof of your identity
- the receipt showing that you are the new owner
- current Green Slip
- safety inspection report, known as a blue slip, from an Authorised Unregistered Vehicle Inspection Station (AUVIS)
- payment for registration, including stamp duty
- if previously registered interstate, proof of that registration.

To renew an existing registration

You can renew your vehicle's registration at a motor registry, by calling 13 22 13 (1800 624 384 for interstate callers) or online at www.rta.nsw.gov.au

You will need to provide:

- the renewal notice
- current Green Slip
- if your vehicle is more than three years old a safety check report (pink slip)
- payment for registration.

Important

To renew on-line or over the phone you must get your pink slip from an e-Safety Check Station and your green slip provider must send your insurance details to the RTA electronically.

Transferring registration

To transfer the registration of a vehicle, you must visit a motor registry and provide the following:

- the certificate of registration for your vehicle, completed and signed on the back by the seller
- proof of your identity eg. your drivers licence
- the receipt showing that you are the new owner
- the transfer fee and stamp duty cost.

You have 14 days to transfer the Certificate of Registration into your name. After this period you will be charged a late transfer fee. Failing to transfer the registration can result in the RTA cancelling the registration altogether. Your vehicle will then be unregistered which can result in hefty fines and will leave your car uninsured.

Stamp duty

The Office of State Revenue (OSR) levies stamp duty when a vehicle is registered in a new name. The RTA collects the stamp duty on OSR's behalf. You will pay stamp duty on the market value of the vehicle or on the price you paid for the vehicle, whichever is higher. Stamp duty is 3% of the market value of the car, up to \$45,000 then 5% on the value over \$45,000.

For example, the stamp duty for a vehicle with a market value of \$50,000 is calculated as follows:

\$45,000 at 3% = \$1,350

\$ 5,000 at 5% = \$250

Total stamp duty to be paid = \$1,600

(Calculations provided by RTA correct at time of printing. Please check with the OSR or RTA to confirm.)

5. Maintenance

A car is a big investment for most people and a large responsibility. Car owners should regularly maintain their cars to protect their investment and to keep them safe and roadworthy.

Service and repairs

If you have a problem with a new car that is still under warranty, refer to your warranty and talk to the motor dealer who sold you the car. Whether new or second-hand, your car should have come with a logbook or owner's handbook that sets out when the vehicle should be serviced and what maintenance needs to be done.

To keep your car in top condition and to avoid the possibility of breakdown or expensive repairs in the future, you should follow the maintenance schedule. If the car is still under warranty and you don't have it serviced to the manufacturer's maintenance schedule, you may void your warranty.

When booking your car in for a service, clearly explain to your repairer the type of service you require. Different costs are associated with the different types of services you can have. If you don't have a logbook or handbook and are not sure what your car needs, ask the repairer to explain what is involved with each type of service and its associated cost. If you are still uncertain, it is wise to follow the manufacturer's service schedule.

The more information you can give to the repairer, the more likely the diagnosis will be correct and the repair carried out properly. You may even need to test drive the car with the repairer, for example, if a rattle only occurs at a certain speed.

Important

As long as the service is carried out in accordance with the manufacturer's specifications, any licensed repairer can do it, not just the dealer from whom you purchased the car.

Always ask for a written cost estimate or quote to fix the problem so there are no surprises at the end. It is a good idea to leave a contact number with the repairer in case they discover the need for additional work. If you have a deadline, such as picking up the children after work, tell the repairer so they are aware of the timeframe.

Where a repairer spends time carrying out and providing a detailed diagnosis, but you decide not to carry out the repair, the repairer is entitled to charge a fee for the diagnosis.

6. Motor vehicle repairers

In NSW repairers must be licensed to work on your car. To hold a licence a repairer must meet criteria laid down by the State Government licensing authority, the Motor Vehicle Repair Industry Authority (MVRIA). This includes having specified equipment in the workshop and employing only certified tradespeople to carry out repairs.

If you are dissatisfied with the work conducted on your car, you can do something about it. Follow these steps to seek a resolution:

1. Talk to the repairer and advise that you are not satisfied with the work completed. This will give the repairer an opportunity to fix the problem to your satisfaction.
2. If unresolved, call the MVRIA on (02) 9712 2200. MVRIA has Technical Enquiry Officers, who can provide unbiased advice regarding your issue. You can use the information they provide to again attempt a resolution with your repairer.
3. If unresolved, send a letter to MVRIA containing the following information:
 - your name and address
 - your vehicle identification
 - the repairer's name and address
 - a summary of the issue
 - what you want to settle the matter.
4. A mediator from MVRIA will arrange a meeting, usually at the repairer's workshop, with the repairer and you. The mediator, who is a qualified tradesperson, is impartial, representing neither the consumer nor the repairer. If a resolution is reached, the terms of settlement are drawn up by the mediator and provided to each party. If a resolution is not reached, a report is written by the mediator and supplied to each party.

5. You can then take the dispute to the Consumer, Trader & Tenancy Tribunal for a resolution. The MVRIA mediator's report is often submitted as a type of 'expert opinion'.

If you believe that the repairer has acted in a dishonest or fraudulent manner you should report it to MVRIA, who will investigate your complaint. Repairers which are found to have been dishonest or fraudulent or who perform repair work that is below the usual trade standard can be disciplined and their repairer's licence may be suspended or cancelled.

How Fair Trading can help

The Office of Fair Trading provides a range of information to assist car buyers. As well as this booklet, our website has a comprehensive section on Motor Vehicles which can be accessed at www.fairtrading.nsw.gov.au

Fair Trading can also assist with complaints regarding new and used vehicles, deposits, warranty repairs, sales contracts and misleading conduct by licensed motor dealers. Our customer service staff can provide information on what to do if you have a problem.

Contact Fair Trading on 13 32 20.

You can also lodge a complaint on our website at www.fairtrading.nsw.gov.au

7. Useful agencies

Motor Accident Authority (MAA)

Tel: 1300 137 600

8.30 – 5.00 Mon-Fri

www.maa.nsw.gov.au

Motor Traders Association of NSW (MTA NSW)

Tel: 9213 4222

9.00 – 5.00 Mon-Fri

www.mtansw.com.au

Motor Vehicle Repairers Industry Authority (MVRIA)

Tel: 9712 2200

8.30 – 5.00 Mon-Fri

www.mvria.nsw.gov.au

Register of Encumbered Vehicles (REVS)

Tel: 13 32 20

8.30 – 5.30 Mon-Fri

9.00 – 5.00 Sat-Sun

www.revs.nsw.gov.au

Roads and Traffic Authority (RTA)

Tel: 13 22 13

8.30 – 5.00 Mon-Fri

8.30 – 2.00 Sat

www.rta.nsw.gov.au

