



BUYING A USED CAR

ISSO

TIPS AND PROCEDURES

Buying a new or used car can be a daunting process. This handout gives you a few tips and ideas about where to look for a used car; it also tells you about the procedures you need to follow to purchase, register, and insure your new vehicle.

“I want to buy a car; where do I start?”

Used cars are sold either by private sellers or car dealers and are advertised in various places, such as:

Private Sellers

- Bulletin boards around campus
- Listserves such as the International-L
- Ads in local newspapers, such as The Ithaca Journal, The Ithaca Times, The Cornell Daily Sun, The Ithaca Pennysaver
- Websites featuring local sellers such as www.cars.com or www.craigslist.com

Car Dealers

- Ads in local newspapers
- Under the heading “Automobile” in the Yellow Pages of the local phonebook.

After you have identified cars that seem to suit your budget and needs, the next step is to take a look at the vehicles. Most people also find it useful to do a bit of research on the particular car or cars they are interested in to know what specific questions they might want to ask the current owner or the dealer. Further, it is a good idea to check the resale value of the vehicle so that you can establish whether the price quoted to you is a fair one.

Consider looking at the following resources:

- Kelley Blue Book (go to <http://www.kbb.com/>) on-line or try the library for hard copies); this publication gives you information on the value of a used car.
- <http://www.edmunds.com/car-advice.html>; this website gives you lots of useful advice on used cars in general, including tips on buying, etc.
- <http://www.consumerreports.org/cro/cars/index.htm>; a useful website that reviews all kinds of products, including cars.
- Department of Motor Vehicles (DMV) website, <http://www.nydmv.state.ny.us/>; this website contains a variety of useful information on driving, including buying and registering a car, getting a license, etc. (You may want to look at the brochure “Let the Buyer Be Aware” (<http://www.nydmv.state.ny.us/broch/c18.htm>) on this website for advice on buying a car.)

Once you have decided to buy a particular vehicle, make sure you have it checked for defects and problems at a reputable garage. This is especially important to do if you are buying your car from a private seller; car dealerships by law are required to offer a 4-month/3000 mile warranty with most used cars they sell.

“I have found a car; what do I do next?”

1. Purchase the car.

If you buy your car from a used-car dealer, the dealership will take care of all the paperwork for you. If you are buying it from a private seller, you will need to receive the following documents:

- **Bill of Sale**, which includes the following information: the year and make of the vehicle, the Vehicle Identification Number (VIN), the date of the sale, the purchase price, the names and signatures of the seller and the buyer.
- **Title**. Along with the Bill of Sale, the title is your proof of ownership of the vehicle. The current owner needs to sign on the back, signaling the transfer of ownership to you; your name also needs to appear on the title. It is important that you check the box marked “Lienholder,” which usually contains the name of the company or bank through which the car was financed. If the title lists a lienholder, you must ask for written proof that the car has been fully paid for. Further, if the title for your car was printed after December 1994, the seller needs to complete the “Odometer Disclosure Statement” on the back of the title; if the title was printed before December 1994, the seller also needs to fill out form MV-103 to disclose the odometer reading.

2. Insurance.

You need to show proof of insurance in order to register your car with the Department of Motor Vehicles. Therefore, after you receive the above documents from the seller but *before* you go to the DMV, you need to purchase insurance. If you buy your car from a dealership, the dealership will give you the information you need to purchase insurance. If you have a license from any American state, you will be able to purchase insurance with any insurance company; however, most insurance companies do not sell policies to people who only hold a foreign license. Some do, but they charge higher premiums. Thus, to keep your insurance premium low, you may decide to apply for a U.S. (NY state) license. Keep in mind, however, that NY state **does** allow you to drive with your foreign license, and if you try to “convert” your foreign license into an American one, you will be asked to surrender your foreign license, with the DMV will destroy.

3. Take Bill of Sale, Title, and Proof of Insurance to the DMV. You will need the following additional documents to register your car:

- **Proof of identity and date of birth**. A list of acceptable documents is available at ISSO and the DMV.
- **Form MV-82: The Vehicle Registration/Title Application form**. (Available at the DMV.)
- **Proof of Sales Tax**. You must pay sales tax on your new purchase; proof of this is necessary for registration. If you buy your car from a private seller, you pay your sales tax at the DMV along with the regular registration fee. If you buy from a dealer, the tax is included in the purchase price and will be handled by the dealer along with the other documents.

At the DMV, you will receive your license plates, a registration sticker to put on the windshield, and a registration document to keep in the car. (Keep this in the car along with your insurance card.) Your new certificate of title will be mailed to you. Affix your license plates, and you’re ready to go!

PLEASE NOTE: Winters in Ithaca are very cold, so if your car is water cooled (most are), be sure to put anti-freeze in your car before the temperature goes below freezing. Failure to do so can ruin your car.