Used Motor Vehicle Pre-Sale Disclosure Statements

The Director of Consumer Affairs and Fair Trading has approved a Used Motor Vehicle Pre-Sale Disclosure Statement, under the Motor Vehicle Traders Regulations 2022. Required use of this Statement commences on I April 2023.

What is the Statement used for?

The Statement provides the public, including a prospective purchaser of a used motor car or motorcycle, basic information regarding the vehicle offered for sale or exchange.

The Statement must be clearly displayed and attached to the vehicle offered for sale as well as included in the contract of sale or exchange.

When does the Statement need to be used by traders?

The Statement must be attached to used vehicles offered for sale from 1 April 2023.

Where can the Statement template be downloaded?

A Word version of the Statement can be accessed by clicking on this <u>link</u>.

Who must complete the details required in the Statement?

A licensed motor vehicle trader (including an employee of the licensee) must complete the Statement and use their current knowledge and best endeavours to ensure the details are correct.

A trader must not knowingly or recklessly make a statement or representation in a Statement that is false or misleading.

Is a Statement compulsory?

Yes, the Motor Vehicle Traders Act 2011 requires that a Pre-Sale Disclosure Statement must be accurately completed before it is displayed with a vehicle.

There is a penalty for not displaying the Statement with a vehicle, or not providing accurate information.



Where on a vehicle must be the Statement be displayed?

The Statement must be displayed in, on or be attached to the vehicle, for example attached to the right side window or other prominent location in the vehicle.

What is the Statutory Warranty mentioned in the Statement?

The Motor Vehicle Traders Act 2011 provides that a trader must give a warranty for certain motor vehicles (cars or motorcycles).

The trader must give a warranty for motor vehicles, other than motorcycles, that are less than 7 years old and driven less than 120,000 km.

For motorcycles, the trader must give a warranty if the motorcycle is less than 3 years old and ridden less than 15,000 km.

The warranty provides that a vehicle is to be fit for purpose, and all its parts are in working order (unless it is specified in the Statement that a part is not in working order). This warranty applies for the first 3 months or 3,000 km, whichever occurs first, after delivery to the purchaser.

This warranty automatically applies and cannot be excluded by agreement with the consumer.

Why is information concerning title to a vehicle included in the Statement?

A trader must, to the best of their knowledge at the time of a used vehicle's disposal, give a clear title to the consumer, to confirm that it is not stolen and that it does not have money owing on it, such as to a finance company.

A search by the trader on the online Personal Properties Securities Register can generate a "Certificate of Clear Title" to show that a vehicle is free from any registered encumbrances known at that time.

Department of Justice

Consumer, Building and Occupational Services

Phone: 1300 654 499

Email: cbos.info@justice.tas.gov.au

www.cbos.tas.gov.au

