



Faulty car?



Name: Josh.

Profession: Unemployed.

Age: 33

Josh's story: Josh was stoked when he finally decided to buy his new car. But last month a lot of things went wrong. He lost his job, and a week afterwards the car started playing up. Josh took it to a mechanic but was told he needed a new transmission, and that's not cheap. Josh doesn't have the money needed to fix his car and doesn't know what to do.

What he did: Josh contacted the car dealer and explained his rights under the Consumer Guarantees Act. He managed to get his car repaired and back on the road within two weeks.

Faulty or defective vehicle?

Who do I go to first if I have problems with a car I have bought?

If you have problems with the car then go back to the car dealer and ask to have the problem fixed. Tell the dealer about the Consumer Guarantees Act. Take along some of our printed information to show the dealer.

[Read more about what to do if you have problems with your car.](#)

Does the finance company have any obligations under the Consumer Guarantees Act?

If the dealer arranged the loan for you then the finance company is also responsible for the quality guarantees under the Consumer Guarantees Act and has the same obligations as the dealer. It is usually easier to get a remedy from the dealer. However, in some situations you may want to approach the finance company, for example, when the seller has gone out of business.

What if I caused the fault?

If the problem with the car is because of your driving then you have no rights to get it fixed under the law called the Consumer Guarantees Act. If you have a warranty you can see whether it can be fixed under this.

What rights does the Consumer Guarantees Act give me?

Under the law if the problems are because the car is poor quality and it is something that can be easily fixed then you must give the car dealer the chance to fix it. In these cases, if you have bought a warranty the car dealer cannot tell you to use your warranty to fix the problems; they must fix them for free.

[Read more about what to do if you have a faulty or defective car](#)

What if the car is a lemon, can I give it back and get my money back?

Where the car is poor quality and the problems with the car are serious then under the law you have the right to choose to have the car repaired, replaced or get a refund.

How long do my rights last?

Claims can be made under the CGA for up to six years from the time the problem appears. However, a delay in the consumer taking action may affect or limit the range of remedies available to them.

If the consumer wants to claim a cash refund or a replacement vehicle because of a serious fault, the claim must be made within a "reasonable time". A reasonable time is the time in which the defect would normally become noticeable. In deciding what is a reasonable time for a defect to be noticed, these things are considered: the type of vehicle, how the vehicle has been used and the amount of use.

What if the dealer told me something about the car that wasn't true?

The car dealer must not mislead or deceive you or make false representations about the car. This means that everything on the window notice (called the Consumer Information Notice) must be correct and accurate and anything the car dealer tells you about the car must be true.

If you have been misled about something then you have rights against the car dealer under a law called the Fair Trading Act. You can also report them to the Commerce Commission by calling 0800 943 600.

[Read more about what to do if you think you have been misled about the car](#)

What do I do if the dealer won't agree to fix the car or refund my money?

You can go to a tribunal and ask them to order the dealer to make it right. There is a special disputes tribunal just for problems with cars called the Motor Vehicle Disputes Tribunal, it costs \$50 to put in an application, just ring 0800 367 6838 for an application form. You can claim for repairs, refunds or extra costs that you have had to pay because of the problems with the car.

[Read more about the Motor Vehicle Disputes Tribunal](#)

Can I reject the car if it is poor quality?

You have the right to reject a car if it has a serious fault, you can apply to the Tribunal for a refund of the money you paid and for the finance to be transferred to the car dealer.

What is a serious fault?

A serious fault is one where a reasonable consumer would not have bought the vehicle if they had known that the fault existed.

[Read more about the serious faults](#)

Do I have to keep up my payments on the car if it is faulty?

Yes, if you have taken out a loan to buy the car, make sure you keep up your loan payments, even if there are problems with the car. Otherwise you risk adding on extra penalties or having your car repossessed.

I have bought a car and have been told that there is money owing on it by a previous owner - what should I do?

Contact a community law centre for help.

[Read more about what to do if there is money owing on the car](#)