

Dealing with a lemon

5 Tips: Lemon laws and how they can help.

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NEW YORK (CNN/Money) - Ever bought a car that never runs quite right? Maybe the engine knocks, perhaps the windows don't close. And no matter how many times you take it back to the dealership the problem never really gets fixed.

If this sounds familiar, you may be the owner of a lemon. Here are five tips to make your situation a little less sour.

1. Know the law.

All 50 states have some sort of "lemon law" offering consumers protection against dysfunctional cars. To find the law in your state, go to your state attorney general's Web site or call for details.

A lemon is typically defined as a car or truck that has been out of service for a total of 30 days or that has been brought back for the same repair at least four times.

You'll want to keep careful records and hang on to copies of any repairs, receipts and notes of all conversations you have with a dealership. Keep a personal calendar of your visits to the dealership and the number of days the car is in the shop.

If the problem is visible, take photographs or videotape the car. You'll need this if the dealership becomes argumentative with you and refuses to fix the problem.

Log onto www.carlemom.com for lemon law summaries in each state or www.lemonlawamerica.com for the statutes for all 50 states and a directory of lemon law attorneys.

2. Get the details right.

Make sure the dealership understands the problem correctly and in detail. That means the description your mechanic writes on the work order should be detailed and accurate.

Vince Megna, the author of "Bring on Goliath: Lemon Law Justice in America," says you shouldn't sign off on any receipts unless they are 100 percent accurate.

3. No defect is too small

When we're talking about lemons, it's not just the safety issue we're addressing. In other words, people don't have to be injured to prove they have a lemon. Even a botched paint job may be covered.

What matters, according to most lemon laws, is whether the problem hurts the value, use or safety of the vehicle. Next time you buy a car, check out the potential problems at www.alldata.com, which makes available technical service bulletins describing issues for individual makes and models. If you want to see more than the list of bulletins, you'll have to pay, though.

You can also check out the Web site of the National Highway Traffic Safety Administration at www.nhtsa.dot.gov for information on recalls that will alert you to problems as well. Once again, you can sort the data by make and model.

4. Don't get caught buying a lemon.

You may be asking what do the automakers and dealerships do with the lemons they are forced to take back? Well, in many states when dealerships resell a lemon they are required to include the words "manufacturer's buyback" on it. So if you see those words it should send a strong signal that some consumer somewhere had a problem with the vehicle.

Megna says there is a big problem with "lemon laundering." That is, dealerships resell cars into states like Texas where lemons don't have to be flagged to consumers.

If you run into a problem you feel you can't solve on your own you may consider hiring an attorney. Most states require automakers to pay attorney fees, if the consumer wins. This information can generally be found when you search under the lemon laws for your particular state.

5. Get the best price for your old heap.

If your car is not a lemon but is just old, it might be time to get rid of it for a shiny new ride. But what should you do with the clunker?

Consumer Reports' MoneyAdviser says before unloading your car you need to find out just how much the car is worth. There are several auto pricing Web sites like www.edmunds.com and www.kbb.com. You can also order a used car price report for \$10 from www.consumerreports.org. And it can't hurt to get an opinion from a local mechanic.

One thing to keep in mind is that by trading in your car rather than selling it yourself, you could miss out on some big bucks. Consider advertising online at sites such as www.ebaymotors.com, www.autobytel.com, and www.autotrader.com.

There will be a fee to sell on these sites. For example, Autobytel will cost you about \$30. But you will be able to run the ad until it sells. You can also list your car on www.usedcars.com for as little as \$11 a month.

The downside of selling your car on your own? Get ready to be available to give test drives to prospective buyers or to take the car to their mechanic for inspection.

If you prefer the convenience of trading it in, *Consumer Reports* says to make sure to keep each negotiation separate. First, deal with the new car you are buying and then bring up the trade-in.

Finally, if you don't want to bother selling it or trading it in, giving it to charity is another option. This way you can deduct the value of the car on your next tax return. One thing is for certain. Before you do any of the above give it a good clean up and maintenance check. It could add to its value.