

IDAHO LEMON LAW SUMMARY

EXECUTIVE SUMMARY	
TIME PERIOD FOR FILING CLAIMS	Three years following original delivery. To file in court, three months after arbitration decision.
ELIGIBLE VEHICLE	Motor vehicles sold or licensed in Idaho. Excludes motorcycles, farm tractors, trailers, and vehicles with a gross laden weight over 12,000 pounds. Appears to cover used vehicles.
ELIGIBLE CONSUMER	(1) The purchaser or lessee , other than for purposes of resale or sublease, of a new motor vehicle used for personal business use or personal, family, or household purposes; or (2) a person to whom the new motor vehicle is transferred for the same purposes during the duration of an express warranty applicable to the motor vehicle.
TIME PERIOD FOR FIRST OCCURRENCE OR NOTICE	Earlier of warranty term, two years following original delivery, or 24,000 miles.
TIME PERIOD FOR REASONABLE NUMBER OF ATTEMPTS TO REPAIR	Three years after original delivery.
PRESUMPTION OR DEFINITION	Presumption: during earlier of warranty term, two years following original delivery, or 24,000 miles, (1) four or more attempts, (2) one attempt to a serious nonconformity, or (3) out of service for 30 business days.
NOTICE TO MANUFACTURER	For presumption to apply, prior written notification.
FINAL OPPORTUNITY TO REPAIR	For presumption to apply, an opportunity to cure.
REASONABLE ALLOWANCE	Refund only: For purchased vehicle, may not exceed miles by consumer at arbitration divided by 120,000, multiplied by purchase price. For leased vehicle, the lease payments made by the consumer until the time of the award.
DISPUTE RESOLUTION	Manufacturer must offer program that complies with 16 C.F.R. Part 703 and lemon law. Before obtaining lemon law remedies, consumer must resort to manufacturer's program.
DISCLOSURE TO SUBSEQUENT PURCHASER	Yes.
TITLE BRANDING	No.

**This information is not intended as legal advice.
Please direct specific questions to your legal counsel.
Updated 1/1/2003 © 2003, Council of Better Business Bureaus, Inc.**

IDAHO LEMON LAW SUMMARY	
1. Citation	Idaho Statutes §§ 48-901 through 48-913.
2. Motor vehicle covered	Motor vehicles that are sold or licensed in Idaho. Excludes motorcycles, farm tractors, trailers, and vehicles with a gross laden weight over 12,000 pounds.
3. Consumer covered	(1) The purchaser or lessee, other than for purposes of resale or sublease, of a new motor vehicle used for personal business use or personal, family, or household purposes; or (2) A person to whom the new motor vehicle is transferred for the same purposes during the duration of an express warranty applicable to the motor vehicle.
4. Nonconformity defined	Not defined. Any defect or condition that impairs the use or market value of the motor vehicle to the consumer is referred to as a <i>nonconformity</i> .
5. Warranty defined	“Manufacturer’s express warranty” and “warranty” are defined as the written warranty of the manufacturer of a new motor vehicle of its condition and fitness for use, including any terms or conditions precedent to the enforcement of obligations under that warranty.
6. Lemon law rights period	Not defined.
7. Manufacturer’s obligation to repair	If the consumer reports the nonconformity to the manufacturer, agent or authorized dealer during the earlier of (1) the term of the applicable express warranties; (2) the period of two years following the date of the motor vehicle’s original delivery to a consumer; or (3) the period ending on the date on which the mileage on the motor vehicle reaches 24,000 miles, then the manufacturer, agent or authorized dealer must make the necessary repairs to conform the motor vehicle to the warranties. The necessary repairs must be made even after the expiration of the manufacturer’s warranty term of the two-year period.
8. Manufacturer’s obligation to repurchase or replace	If the manufacturer, its agents or authorized dealers are unable to conform a <i>purchased</i> motor vehicle to any applicable express warranty by repairing or correcting any nonconformity after a reasonable number of repair attempts within three years following the date of the vehicle’s original delivery to a consumer, then the manufacturer must either replace the motor vehicle with a comparable motor vehicle or repurchase the motor vehicle. The consumer has the option of requiring the manufacturer to provide a refund rather than a replacement motor vehicle. If the manufacturer, its agents or authorized dealers are unable to conform a <i>leased</i> motor vehicle to any applicable express warranty by repairing or correcting any nonconformity after a reasonable number of repair attempts within three years following the date of the vehicle’s original delivery to a consumer, then the manufacturer must repurchase the motor vehicle. The Idaho lemon law does not provide for the replacement of a leased vehicle.
9. Criteria for reasonable number of repair attempts	Presumed if, during the term of the express warranty, the period of two years following the date of the motor vehicle’s original delivery to a consumer, or the period ending with the date on which the mileage on the motor vehicle reaches 24,000 miles, whichever is earlier, any of the following occurs: (1) The same nonconformity has been subject to repair four or more times by the manufacturer, its agents or authorized dealers; the manufacturer had at least one opportunity to attempt to repair the vehicle; and the nonconformity continues to exist; (2) The motor vehicle is out of service by reason of repair for a cumulative total of 30 or more business days; or (3) A nonconformity results in a complete failure of the braking or steering system and is likely to cause death or serious bodily injury if the vehicle is driven; the nonconformity has been subject to repair at least once by the manufacturer, its agents or authorized dealers; the manufacturer had at least one opportunity to attempt to repair the vehicle; and the nonconformity continues to exist. The presumption’s two-year or 24,000 mile period is extended if the consumer first reported the nonconformity to the manufacturer, its agent or authorized dealer during the term of the applicable express warranty, and if the reasonable number of repair attempts occur within three years following the date of the motor vehicle’s original delivery to a consumer.
10. Notice of nonconformity	The presumption that a reasonable number of repair attempts has occurred does not apply against a manufacturer unless the manufacturer, its agent or authorized dealer has received prior

**This information is not intended as legal advice.
Please direct specific questions to your legal counsel.
Updated 1/1/2003 © 2003, Council of Better Business Bureaus, Inc.**

IDAHO LEMON LAW SUMMARY	
and final opportunity to repair	written notification from or on behalf of the consumer and has had an opportunity to cure the alleged defect. If the manufacturer's agent or authorized dealer receives the notification, the agent or dealer must forward it to the manufacturer by certified mail, return receipt requested. If the manufacturer is not notified by either the consumer or the manufacturer's agent or authorized dealer, then the manufacturer has at least one opportunity to cure the alleged defect.
11. Affirmative defenses	It is an affirmative defense that: (1) An alleged nonconformity does not impair the use or market value, or (2) The nonconformity is the result of abuse, neglect, or unauthorized modifications or alterations of a motor vehicle by anyone other than the manufacturer, its agent or authorized dealer.
12. Refund	<p>Purchased vehicle</p> <p>Refund consists of:</p> (1) The amount the consumer paid for the motor vehicle, including the value of any trade-in, not to exceed 105% of the Manufacturer's Suggested Retail Price of the motor vehicle (the M.S.R.P. includes all manufacturer-installed options and the cost of any options or other modifications arranged, installed, or made by the manufacturer's agent or authorized dealer within 30 days after the date of original delivery); and (2) All other charges, including but not limited to sales or excise tax (see below), license fees, registration fees, reimbursement for towing, and rental vehicle expenses incurred by the consumer as a result of the vehicle being out of service for warranty repair; (3) Less a reasonable allowance for the consumer's use of the motor vehicle. <p>The amount of sales tax to be refunded to the consumer is calculated as follows: Tax paid by consumer – $\left[\text{Tax paid by consumer} \times \frac{\text{Reasonable allowance for use}}{\text{Vehicle's purchase price}} \right]$ At time of purchase</p> <p>Leased vehicle</p> <p><i>To the lessor –</i> (1) The early termination charges; and (2) The residual value of the vehicle as specified in the lease agreement.</p> <p><i>To the lessee –</i> (1) The pro rata amount of any down payment paid by the lessee on the written lease (see below); and (2) All other charges actually paid by the lessee, including but not limited to lease payments, sales or excise tax, license fees, registration fees, reimbursement for towing, and rental vehicle expenses incurred by the consumer as a result of the vehicle being out of service for warranty repair; (3) Less a reasonable allowance for the consumer's use of the motor vehicle.</p> <p>The pro rata amount of any down payment refunded by the manufacturer is calculated using the following formula: Down payment X $\frac{\text{Number of months remaining after the date of arbitration}}{\text{Number of months of the lease agreement}}$</p>
13. Replacement	Replacement is a comparable motor vehicle.
14. Reasonable allowance	Applies to a refund but not to a replacement. The reasonable allowance for the consumer's use of a purchased motor vehicle may not exceed: Number of miles attributable to the consumer up to the <u>date of the arbitration hearing</u> X $\frac{\text{vehicle's purchase price}}{120,000}$ The reasonable allowance for the consumer's use of a leased motor vehicle is the lease payments made by the consumer until the time of the award of a refund.

**This information is not intended as legal advice.
Please direct specific questions to your legal counsel.
Updated 1/1/2003 © 2003, Council of Better Business Bureaus, Inc.**

IDAHO LEMON LAW SUMMARY	
15. Refund of sales tax	Manufacturer refunds sales tax to the consumer. No provision for the manufacturer to obtain a refund of sales tax from the state, although the lemon law does state that if the amount of sales or excise tax refunded to the consumer is not separately listed on an itemized statement of refund amounts, or if the manufacturer does not apply for a refund of the tax within 1 year of the return of the motor vehicle, the state tax commission may refund the tax directly to the consumer and lienholder, if any, as their interests appear on DMV records.
16. Enhanced damages	If a court finds that a party has removed to the court a decision of an informal dispute settlement mechanism in bad faith, by asserting a claim or defense that is frivolous and costly to the other party, or by asserting an unfounded position solely to delay recovery by the other party, then the court must award to the prevailing party 3 times the actual damages sustained, along with costs and attorney's fees. Violations of the lemon law are deemed to be violations of the Idaho consumer protection act.
17. Attorney's fees	The court may award to the consumer costs and disbursements, including reasonable attorney's fees incurred in the civil action but not in the course of informal dispute resolution.
18. Statute of limitations	An action must be commenced within three years of the date of the motor vehicle's original delivery to a consumer. A consumer who applies to an informal dispute settlement mechanism may commence an appeal of the mechanism's decision with three months after the date of the mechanism's final decision.
19. Manufacturer-sponsored arbitration	Any manufacturer doing business in Idaho, entering into franchise agreements for the sale of its vehicles in Idaho, or offering express warranties on its vehicles sold or distributed in Idaho, must operate or participate in an informal dispute settlement mechanism. The informal mechanism must be located in Idaho and must comply with 16 C.F.R. Part 703 and the lemon law. The lemon law provisions requiring repurchase or replacement of a nonconforming motor vehicle do not apply to a consumer who has not first used the informal mechanism before commencing a civil action, unless the manufacturer allows a consumer to forego the mechanism.
20. State-sponsored arbitration	Not specified.
21. Dealer liability	Nothing in the lemon law imposes liability on a dealer or creates an additional cause of action by a consumer against a dealer, except for written express warranties made by the dealer apart from the manufacturer's warranties. The manufacturer must not charge back or require reimbursement by the dealer for any costs, including but not limited to refunds or replacements, incurred by the manufacturer arising out of the lemon law, unless there is evidence that the related repairs had not been carried out by the dealer in a timely manner or in a manner substantially consistent with the manufacturer's published instructions.
22. Restrictions on resale of returned vehicles	A motor vehicle that was returned under Idaho's or another state's lemon law, whether as the result of a legal action or an informal dispute settlement proceeding, must not be resold or re-leased in Idaho unless: (1) The manufacturer provides the same express warranty it provided to the original purchaser, though the term of the warranty need only be for 12,000 miles or 12 months after resale, whichever is earlier; and (2) The manufacturer provides the consumer with a written statement on a piece of paper, in all-capital 10-point type, in substantially the following form: "IMPORTANT THIS VEHICLE WAS RETURNED TO THE MANUFACTURER BECAUSE IT DID NOT CONFORM TO THE MANUFACTURER'S EXPRESS WARRANTY AND THE NONCONFORMITY WAS NOT CURED WITHIN A REASONABLE TIME AS PROVIDED BY IDAHO LAW." Lemon law provisions apply to the resold or re-leased motor vehicle for the full term of the required warranty. The manufacturer complies with these requirements if it offers a similar program that provides, at a minimum, substantially the same protections for subsequent consumers. If a motor vehicle that was returned under Idaho's or another state's lemon law because of a

**This information is not intended as legal advice.
Please direct specific questions to your legal counsel.
Updated 1/1/2003 © 2003, Council of Better Business Bureaus, Inc.**

IDAHO LEMON LAW SUMMARY	
	nonconformity resulting in a complete failure of the braking or steering system likely to cause death or serious bodily injury if the vehicle was driven, and the failure has not been repaired by the manufacturer, its agent or authorized dealer, then the motor vehicle may not be resold in Idaho.
23. Point of sale notice of lemon law rights	<p>The manufacturer must provide to its agent or authorized dealer, and at the time of purchase or lease the agent or dealer must provide to the consumer, a written statement in the new motor vehicle warranty guide, in all capital 10-point type, in substantially the following form:</p> <p>IMPORTANT IF THIS VEHICLE IS DEFECTIVE, YOU MAY BE ENTITLED UNDER THE STATE'S LEMON LAW TO REPLACEMENT OF IT OR A REFUND OF ITS PURCHASE PRICE OR YOUR LEASE PAYMENTS. HOWEVER, TO BE ENTITLED TO REFUND OR REPLACEMENT, YOU MUST FIRST NOTIFY THE MANUFACTURER, ITS AGENT, OR ITS AUTHORIZED DEALER OF THE PROBLEM IN WRITING AND GIVE THEM AN OPPORTUNITY TO REPAIR THE VEHICLE. YOU ALSO HAVE A RIGHT TO SUBMIT YOUR CASE TO THE CONSUMER ARBITRATION PROGRAM WHICH THE MANUFACTURER MUST OFFER IN THIS STATE.</p>
24. Limitation on waiver	Not specified.

This information is not intended as legal advice.
Please direct specific questions to your legal counsel.
Updated 1/1/2003 © 2003, Council of Better Business Bureaus, Inc.