



National Programs

BBB AUTO LINE®

Vermont Lemon Law Summary

EXECUTIVE SUMMARY	
TIME PERIOD FOR FILING CLAIMS	One year following the expiration of the express warranty term.
ELIGIBLE VEHICLE	<p>Passenger motor vehicle purchased, leased, or registered in Vermont.</p> <p>Excludes tractors, motorized highway building equipment, road-making appliances, snowmobiles, motorcycles, motor-driven cycles, the living portion of recreational vehicles, or trucks with a gross vehicle weight over 12,000 pounds.</p> <p>Covers used vehicles if still under the manufacturer’s express warranties but excludes previously leased vehicles.</p>
ELIGIBLE CONSUMER	<p>(1) Purchaser, other than for purposes of resale, of a motor vehicle still under the manufacturer’s express warranty; (2) lessee, other than for purposes of sub-lease, of a motor vehicle still under the manufacturer’s express warranty and that has not been previously leased by another person; (3) any person to whom the motor vehicle is transferred during the duration of an express warranty applicable to the motor vehicle; or (4) any other person entitled by the terms of the warranty to enforce its obligations.</p> <p>Excludes any government entity, or any business or commercial enterprise that registers or leases three or more motor vehicles.</p>
TIME PERIOD FOR FIRST OCCURRENCE OR NOTICE	During the term of the warranty.
TIME PERIOD FOR REASONABLE NUMBER OF ATTEMPTS TO REPAIR	Not specified.
PRESUMPTION OR DEFINITION	Presumption: either (1) three or more repair attempts, with at least the first repair attempt within the warranty term; or (2) out of service for 30 or more calendar days during the warranty term.
NOTICE TO MANUFACTURER	After reasonable repair attempts or out of service for 30 calendar days, consumer must send written notice, on forms to be provided by the manufacturer at the time the new vehicle was delivered, of nonconformity, claim for replacement or repurchase, and election to use either informal dispute settlement procedure, the arbitration provisions established by the manufacturer, or the state-operated arbitration board.
FINAL OPPORTUNITY TO REPAIR	Within 45 days after written notice but at least five days prior to hearing.
REASONABLE ALLOWANCE	Refund of owned vehicle: consumer’s miles up to date of first repair attempt, divided by 100,000, multiplied by purchase price. Replacement of leased

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	vehicles: multiply aggregate deposit and rental payments by a fraction having its denominator the number of miles allowed in the lease and having its numerator the number of miles driver prior to first repair attempt.
DISPUTE RESOLUTION	Consumer elects informal dispute settlement procedure, the arbitration provisions established by the manufacturer, or state-operated arbitration.
DISCLOSURE TO SUBSEQUENT PURCHASER	Yes.
TITLE BRANDING	Yes.

VERMONT LEMON LAW SUMMARY	
1. Citation	Vermont Stat. Ann. Title 9 §§ 4170 through 4181.
2. Motor vehicle covered	Covers a passenger motor vehicle purchased, leased, or registered in the state. Excludes tractors, motorized highway building equipment, road-making appliances, snowmobiles, motorcycles, motor-driven cycles, the living portion of recreational vehicles, or trucks with a gross vehicle weight over 12,000 pounds. “New motor vehicle” is a passenger motor vehicle that is still under the manufacturer’s express warranty, or in the case of a recreation vehicle, that is still under an express warranty for the relevant component.
3. Consumer covered	(1) The purchaser, other than for purposes of resale, of a motor vehicle still under the manufacturer’s express warranty; (2) The lessee, other than for purposes of sub-lease, of a motor vehicle still under the manufacturer’s express warranty and that has not been previously leased by another person; (3) Any person to whom the motor vehicle is transferred during the duration of an express warranty applicable to the motor vehicle; or (4) Any other person entitled by the terms of the warranty to enforce its obligations. Excludes any government entity, or any business or commercial enterprise that registers or leases three or more motor vehicles.
4. Nonconformity defined	Not defined. A defect or condition covered by the warranty that substantially impairs the use, market value or safety of the motor vehicle to the consumer is referred to as a <i>nonconformity</i> .
5. Warranty defined	Includes “express warrant” as defined in the Uniform Commercial Code, plus any written warranty of the manufacturer.
6. Lemon law rights period	Not specified.

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VERMONT LEMON LAW SUMMARY	
7. Manufacturer's obligation to repair	<p>If a motor vehicle does not conform to all applicable express warranties, and the consumer reports the nonconformity to the manufacturer, its agent or authorized dealer during the term of the warranty, then the manufacturer must cause to be made the necessary repairs to conform the motor vehicle to the express warranties.</p> <p>The necessary repairs must be made even after the expiration of the warranty term.</p>
8. Manufacturer's obligation to repurchase or replace	<p>If the manufacturer, its agents or authorized dealers are unable to conform the motor vehicle to any express warranty by repairing or correcting any nonconformity after a <i>reasonable number of attempts</i>, the manufacturer must, at the option of the consumer, either replace or repurchase the motor vehicle.</p> <p>Note that a consumer cannot pursue a remedy under the lemon law if he or she has discontinued financing or lease payments.</p>
9. Criteria for reasonable number of repair attempts	<p>Presumed if either of the following occurs:</p> <ol style="list-style-type: none"> (1) The same nonconformity, as identified in any written examination or repair order, has been subject to repair at least three times by the manufacturer, its agent, or authorized dealer, at least the first repair attempt occurs within the express warranty term, and the same nonconformity continues to exist; or (2) The motor vehicle is out of service by reason of repair of one or more nonconformities for a cumulative total of 30 or more calendar days during the express warranty term. A motor vehicle is not out of service if it is available to the consumer for a major part of the day. <p>For purposes of the <i>presumption</i>, repair attempts must be evidenced by a written examination or repair order issued by the manufacturer, its agent or authorized dealer. The repair attempts must be undertaken by the same agent or authorized dealer unless the consumer shows good cause for taking the vehicle to a different agent or authorized dealer.</p>

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10. Notice of nonconformity and final opportunity to repair	<p>After reasonable attempt to repair or correct the nonconformity, or after the motor vehicle is out of service by reason of repair to one or more nonconformities for 30 or more calendar days, the consumer must notify the manufacturer (and lessor, if applicable) in writing of the nonconformity and the consumer's claim for replacement or repurchase. The written notice must be on a form provided by the manufacturer at the time of the motor vehicle's original delivery.</p> <p>On the written notice, the consumer will elect to use the dispute settlement mechanism established by the manufacturer or the state-operated arbitration board. Arbitration must be held within 45 days after receipt by the manufacturer or the state board of the written notice. Within this 45 day period, the manufacturer must be given a final opportunity to correct and repair the nonconformity. Any right to a final repair attempt is waived if the manufacturer does not complete it at least five days prior to a hearing.</p>
11. Affirmative defenses	<p>It is an affirmative defense that:</p> <ol style="list-style-type: none"> (1) The alleged nonconformity does not substantially impair the use, market value or safety, or (2) The nonconformity is the result of abuse, neglect, or unauthorized modifications or alterations of a motor vehicle by a consumer.
12. Refund	<p>Purchased Vehicle</p> <p>Refund consists of:</p> <ol style="list-style-type: none"> (1) The full purchase price as indicated in the purchase contract, including all credits and allowances for any trade-in or downpayment; (2) Finance charges, credit charges, registration fees and any similar charges; and (3) Incidental and consequential damages; (4) Less a reasonable allowance for the consumer's use of the vehicle. <p>Any Vermont motor vehicle purchase and use tax paid by the consumer will be refunded in the proportionate amount by the state to the consumer. To receive a refund, the consumer must file a claim with the Department of Motor Vehicles within 90 days of the effective date of the "order". DMV has interpreted this provision to apply only to decisions issued by the state-operated arbitration board.</p> <p>Leased Vehicle</p> <p><i>To the lessee:</i></p> <ol style="list-style-type: none"> (1) Aggregate deposit previously paid to the lessor by the lessee, including but not limited to all cash payments and trade-in allowances tendered by the lessee to the lessor under the lease agreement; (2) Rental payments previously paid to the lessor by the lessee; and (3) Incidental and consequential damages, if applicable; (4) Less a reasonable allowance for the consumer's use of the vehicle; and (5) Less allocated payments for purchase and use tax. <p><i>To the lessor:</i></p> <ol style="list-style-type: none"> (1) The lessor's actual purchase cost, less payments made by the lessee;

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	<p>(2) The freight cost, if applicable;</p> <p>(3) The cost for dealer- or manufacturer-installed accessories, if applicable;</p> <p>(4) Any fee paid to another to obtain the lease; and</p> <p>(5) An additional 5% of the lessor’s actual purchase cost, provided instead of any early termination costs.</p> <p>Any Vermont motor vehicle purchase and use tax will be refunded in the proportionate amount by the state to whomever paid the tax. To receive a refund, the consumer must file a claim with the Department of Motor Vehicles within 90 days of the effective date of the “order”. DMV has interpreted this provision to apply only to decisions issued by the state-operated arbitration board.</p> <p>The lessee’s lease agreement with the lessor and all contractual obligations are terminated, and the lessee is not liable for any further costs or charges to the manufacturer or lessor under the lease agreement. The lessor must release the motor vehicle title to the manufacturer upon payment by the manufacturer of the amounts set out in the lemon law.</p>
<p>13. Replacement</p>	<p>Replacement is a new motor vehicle from the same manufacturer, if available, of comparable worth to the same make and model, with all options and accessories and with appropriate adjustments being allowed for any model year differences. In the replacement of a leased vehicle, the lease agreement must be amended to incorporate the collateral change with appropriate adjustments for any model year difference and/or excess mileage.</p>
<p>14. Reasonable allowance</p>	<p>Applies to a refund but not to a replacement. The reasonable allowance for use is that amount directly attributable to use by the consumer prior to the first repair attempt.</p> <p>The reasonable allowance for use of a purchased vehicle is calculated in accordance with the following formula:</p> $\frac{\text{number of miles prior to the first repair attempt}}{100,000} \times \text{purchase price}$ <p>The reasonable allowance for use of a leased vehicle is calculated in accordance with the following formula:</p> $\frac{\text{number of miles prior to the first repair attempt}}{\text{number of miles allowed in the lease contract}} \times \text{aggregate deposit and rental payments made by lessee}$ <p>Any miles in excess of those allowed in the lease contract are added to the mileage at the first repair attempt or first day out of service in the above formula.</p>
<p>15. Refund of sales tax</p>	<p>Consumer obtains proportionate refund of purchase and use tax from the state.</p>
<p>16. Enhanced damages</p>	<p>Not specified, although failure of the manufacturer or distributor to comply with a decision by the state-operated arbitration board is an unfair or deceptive practice.</p>

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17. Manufacturer-sponsored arbitration	<p>After the third repair attempt to repair or correct the nonconformity, or after the motor vehicle is out of service to repair or correct one or more nonconformities for 30 cumulative business days, the consumer must notify the manufacturer and lessor in writing of the nonconformity and the consumer's claim for replacement or repurchase. On the written notice, the consumer will elect to use the dispute settlement mechanism established by the manufacturer or the state operated arbitration board. The election to proceed before the manufacturer's mechanism or the state arbitration board precludes the consumer's recourse to the method not selected.</p>
18. State-sponsored arbitration	<p>Not specified. After the third repair attempt to repair or correct the nonconformity, or after the motor vehicle is out of service to repair or correct one or more nonconformities for 30 cumulative business days, the consumer must notify the manufacturer and lessor in writing of the nonconformity and the consumer's claim for replacement or repurchase. On the written notice, the consumer will elect to use the dispute settlement mechanism established by the manufacturer or the state operated arbitration board. The election to proceed before the manufacturer's mechanism or the state arbitration board precludes the consumer's recourse to the method not selected.</p>
19. Dealer liability	<p>The lemon law does not impose any liability on an authorized dealer or create any cause of action by a consumer against a dealer, except regarding any written express warranties made by the dealer apart from the manufacturer's own warranties.</p>
20. Restrictions on resale of returned vehicles	<p>A manufacturer, its agent or dealer who accepts the return of a nonconforming vehicle must (1) immediately upon receipt, cause the words "MANUFACTURER BUYBACK NONCONFORMING VEHICLE" to be clearly and conspicuously stamped on the face of the title, the Manufacturer's Statement of Origin, or other evidence of ownership; and (2) within 10 days of receipt of the title, Statement of Origin, or other evidence of ownership, submit a copy to the Motor Vehicle Division of the Tax Commission.</p> <p>A manufacturer or dealer may not offer, auction, sell, lease, transfer, or exchange in Utah a buyback or nonconforming vehicle without prior written disclosure in a clear and conspicuous manner.</p> <p>The following disclosure language must be contained in or affixed to each contract, lease, bill of sale, or any other document that transfers title of a buyback or nonconforming vehicle to a consumer. The title must be in 16-point extra boldface type, and the text must be in 12-point boldface type, and the entire notice must be boxed. Prior to completing a sale, lease, or other transfer of title, the seller must obtain the consumer's acknowledgment as evidenced by the consumer's signature within the box containing the disclosure.</p> <p style="text-align: center;">DISCLOSURE STATEMENT</p> <p>Vehicle Identification Number (VIN): _____</p> <p>Year: _____ Make: _____ Model: _____</p> <p>Prior Title Number: _____ State of Title: _____</p> <p>Odometer Reading: _____</p> <p>This is a used motor vehicle. It was previously returned to the manufacturer or its agent in exchange for a replacement motor vehicle or a refund because it was alleged or found to have the following nonconformities:</p> <ol style="list-style-type: none"> 1.

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	<p>2. 3. 4. 5.</p> <p style="text-align: center;">THIS DISCLOSURE MUST BE GIVEN BY THE SELLER TO THE BUYER EVERY TIME THIS VEHICLE IS RESOLD</p> <p>_____</p> <p>(Buyer's Signature) Date</p> <p>Within 30 days after the sale, lease, or other transfer of title, the seller must deliver to the Motor Vehicle Division a copy of the signed written disclosure. MVD must include the disclosure in the nonconforming vehicle's records and must brand the certificate of title with the words, "Manufacturer Buyback Nonconforming Vehicle".</p> <p>A disclosure statement must also be affixed to the lower corner of the windshield furthest removed from the driver's side of the nonconforming vehicle, so that it is readily visible from the exterior of the vehicle. The form must be at least 4 1/2 inches wide and 5 inches long, and must state as follows with the heading in boldface capital type not smaller than 18-point, and the body must be regular or medium face not smaller than 12-point:</p> <p style="text-align: center;">DISCLOSURE STATEMENT</p> <p>Vehicle Identification Number (VIN): _____</p> <p>Year: _____ Make: _____ Model: _____</p> <p>Prior Title Number: _____ State of Title: _____</p> <p>Odometer Reading: _____</p> <p>Warning: This motor vehicle was previously sold as new. It was subsequently alleged or found to have the following defect(s), malfunction(s), or conditions:</p> <p>1. 2. 3. 4. 5.</p> <p style="text-align: center;">THIS DISCLOSURE MUST BE GIVEN BY THE SELLER TO THE BUYER EVERY TIME THIS VEHICLE IS RESOLD</p>
<p>21. Point of sale notice of lemon law rights</p>	<p>The manufacturer of every motor vehicle sold in Vermont must provide a clear and conspicuous written notice of the consumer's lemon law rights at the time of each new motor vehicle's delivery. The manufacturer must provide the consumer with a self-addressed notice in a form satisfactory to the state-operated arbitration board, and sufficient to notify the manufacturer of the consumer's election to proceed under the lemon law. The manufacturer must also provide a clear and conspicuous notice that informs consumers of their lemon law rights.</p>
<p>22. Limitation on waiver</p>	<p>Not specified.</p>

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