

Purchasing or Leasing a Car: Legal Considerations

The material in this handout represents general legal principles. The law is continually changing; although the information in the handout was current as of the date it was drafted, some provisions in this pamphlet may have changed. It is always best to consult an attorney about your legal rights and responsibilities regarding your case.



consult with a legal assistance attorney about local laws.

Considerations when leasing a car

The Servicemembers Civil Relief Act (SCRA, 50 U.S.C. §§ 3901 – 4043) creates numerous consumer protections for servicemembers in a variety of situations, including about leasing a vehicle. Section 3955

For additional information relevant to this issue, see the guidance posted on the Air Force Legal Assistance website regarding service contracts and warranties.

Consumer Protections and State Lemon Laws

The Uniform Commercial Code (UCC) generally applies nationwide and in U.S. territories, though some jurisdictions have not adopted all portions of the Code. Among other functions, the UCC gives the consumer the right to a refund or replacement of a defective product. The UCC does not define a “lemon,” though, so courts will look to state law.

State lemon laws vary but, generally, each statute defines certain defects that make a vehicle a “lemon” then describes the steps the dealer must take to resolve that defect. For example, a statute might require the dealer attempt to repair the defect a specific number of times while another might specify a period (e.g., 30 days) in which the dealer must repair the defect. Each lemon law will also describe requirements for consumers regarding notice to the dealer of the defect. Consumers should

permits military members to terminate a vehicle lease if: after signing the lease the member enters a period of military service of 180 days, or more; the member signs the lease while in military service then receives PCS orders; the member is ordered to deploy for 180 days, or more; or the member is ordered to PCS or deploy but receives a stop movement order in response to national emergency for at least 30 days (50 U.S.C. § 3955(b)(2)).

A military member may terminate a vehicle lease under SCRA by delivering to the dealership a written notice of termination and a copy of the military tenant’s orders. Section 3955(c) permits notice to be delivered by hand, mail, private carrier (e.g., UPS, FedEx, etc.), or electronically. Members may even cancel a lease signed with a spouse as a co-lessee (50 U.S.C. § 3955(a)(2)).

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