businesscompanion
trading standards law explained

Selling used vehicles

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In this guide, the words 'must' or 'must not' are used where there is a legal requirement to do (or not do) something. The word 'should' is used where there is established legal guidance or best practice that is likely to help you avoid breaking the law.

This guidance is for England, Scotland and Wales

If you sell used vehicles, the descriptions you give those vehicles are controlled by Part 4, Chapter 1 of the Digital Markets, Competition and Consumers Act 2024 (DMCCA). The DMCCA is a wide-ranging piece of legislation that makes it a criminal offence for a trader to engage in commercial practices that mislead in respect of 'products' (which includes goods, services and digital content). An action or omission may be seen as misleading if it is likely to affect the consumer's decision to purchase, or to make any other 'transactional decision'.

The misleading element could be in the form of providing false information or using an inaccurate description, or the omission of facts about a product that a consumer would need to make an informed transactional decision.

The Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 require detailed information to be given to consumers and, in some circumstances, introduce a 14-day cancellation period for off-premises and distance contracts. In addition, the Regulations prohibit the use of so-called negative options (for example, pre-ticked boxes) to sell additional products that are incidental to

the main contract. These Regulations affect most businesses that contract with consumers, irrespective of where and how the contract is entered into.

The Road Traffic Act 1988 and the General Product Safety Regulations 2005 create an obligation on you, as a trader, to ensure that any vehicle you sell is safe and roadworthy.

The Consumer Rights Act 2015 outlines your obligations as a trader to a consumer when you supply goods and digital content (which includes the various computer systems used in modern vehicles). It also contains the remedies available to consumers when things go wrong.

General descriptions

It is a breach of the DMCCA to engage in an 'unfair commercial practice'. A practice is unfair if it involves one or more of the following, and this is likely to cause an average consumer to take a 'transactional decision' that they would not have taken otherwise:

- a 'misleading action' (it contains false or misleading information and is therefore untruthful, or if it deceives or is likely to deceive a consumer)
- a 'misleading omission' (it omits information that an average consumer needs to take an informed transactional decision)
- an aggressive practice
- a contravention of the requirements of professional diligence

Briefly, a 'transactional decision' is any decision taken by the consumer concerning the purchasing of the product, retaining or disposing of the product, or whether to exercise a contractual right in relation to the product, including decisions not to act. For more detailed information on the term, please see 'Protection from unfair trading (criminal law)'.

Examples of misleading actions:

- giving false information regarding the mileage a vehicle has travelled. See 'Mileage of used vehicles' for more detailed guidance on common problems associated with odometers, and in particular the use of disclaimers
- describing a car as being in excellent condition when there is an existing fault with the vehicle
- misleading consumers about their statutory rights by using statements such as 'sold as seen' or 'trade sale'
- advertising a car for sale at a particular price, without including in that price any additional 'administration' or other non-optional charges. An example of this is when a delivery charge is mandatory for vehicles purchased online. In that situation, it must be included in the price. If there is an option to collect the car, the delivery charge must be indicated, but it does not have to be included in the price. For more information on pricing practices, including links to Government guidance, please see 'Providing price information'

Examples of misleading omissions:

- failing to inform a consumer that a car has previously been an insurance write-off
- failing to inform the consumer when there is a discrepancy in the mileage history
- failing to include 'administration', 'delivery' or other non-optional charges in the advertised price for a car
- failing to inform the consumer that, in a diesel car, the diesel particulate filter has been removed or tampered with (this would lead to an automatic fail of any MOT test and will require an expensive replacement)
- failing to provide information in a clear and timely manner. If you provide the information when it is

too late for a consumer to be able to take an informed transactional decision, this could be a misleading omission

These misleading actions and omissions can be made verbally, in writing, by illustration or by implication. They can be made by anyone in your business, and both the staff member making the misleading statements and officers of the company can commit offences.

In addition, the DMCCA also lists a number of business practices that are considered unfair in all circumstances (in other words, there is no requirement to show that the practice is likely to cause the consumer to take a transactional decision that they would not have taken otherwise). One of these banned practices is to falsely claim or create the impression that the trader is not acting for purposes relating to their business or to falsely represent themselves as a consumer - for example, a car trader advertising cars online or in newspapers and magazines stating or creating the impression they are a private seller.

Any individual that sells a vehicle, whether they are a trader or not, must make sure the description is correct - for example, the make, model, engine size and any other technical description.

For more detail on the DMCCA, see 'Protection from unfair trading (criminal law)'.

Avoiding committing an offence

The DMCCA provides a trader with the defence that the commission of an offence was due to a mistake, reliance on information supplied to them, the act or omission of another person, an accident or some other cause beyond the trader's control, and that they took all reasonable precautions and exercised all due diligence to avoid the commission of such an offence by themselves or any person under their control.

In simple terms, this means that a process should exist to avoid unfair commercial practices and that the process should be followed by all employees. Typical steps may include:

- carrying out MOT history checks on the GOV.UK website (bear in mind that although a valid MOT certificate or service history helps in assessing the condition of a vehicle, they should not be relied upon as an indication that a vehicle is roadworthy)
- contacting traders that have previously serviced the vehicle, in order to establish that the service history is correct
- ensuring all staff are trained and have access to all the relevant details on a vehicle
- ensuring records are kept of any checks that you make

For specific steps that can be taken relating to odometer displays on used vehicles see 'Mileage of used vehicles'.

Safety: your responsibilities

The General Product Safety Regulations 2005 create offences for traders that supply unsafe products. See 'General product safety: distributors' for more information on these Regulations.

The Road Traffic Act 1988 makes it illegal for any person (including private individuals) to sell, offer to sell or supply, and expose for sale an unroadworthy vehicle.

If you have a vehicle on your forecourt that is unsafe or unroadworthy, you could be committing a criminal offence.

If you have a vehicle that is to be sold as spares or for repair, this must be clearly indicated and should not

be sold with any MOT or road tax. You should not allow the vehicle to be driven from your premises.

Consumer rights

The Consumer Rights Act 2015 is one of the main pieces of consumer law that cover a trader's obligations to a consumer when they sell goods.

Essentially, the law states that any goods you sell must:

- be of satisfactory quality
- be fit for any particular purpose made known to the seller
- match the description, sample or model
- be installed correctly, where installation has been agreed as part of the contract

You must also have a legal right to sell the vehicle.

If a vehicle that you sell does not meet all of the above, then you are legally obliged to sort out the issues. If you do not, then a consumer can take you to court for breach of contract.

Depending on a number of factors (for example, the time at which a fault becomes apparent), the remedies available to the consumer include a repair, replacement, or a full or partial refund. The consumer may also be entitled to damages for additional losses they have incurred due to the breach of contract, such as the cost of recovering a broken-down vehicle.

The Act also states that if the consumer shows the vehicle is faulty in some way and, within the first six months of purchase, chooses a repair, replacement, price reduction or the final right to reject, it is automatically assumed that the fault was there at the time of delivery unless you can prove otherwise. This is called the 'reverse burden of proof'. After six months the consumer has to prove that the fault was there at the time of delivery. The consumer must also prove the fault was there at the time of delivery if they exercise the short-term right (30 days) to reject goods.

If the consumer rejects the goods by using their short-term right to reject, they would be entitled to a full refund. If the consumer rejects the goods by using their final right to reject, they would be entitled to a refund minus an amount for use of the motor vehicle. Any deduction made by the trader must be reasonable and justified.

You must not attempt to restrict a consumer's rights by using such phrases as 'sold as seen' or 'trade sale'.

For more information, including more detail on the short-term and final right to reject, and the reverse burden of proof, see 'Selling and supplying goods'.

For issues regarding computer systems in vehicles, see 'Digital content'.

Distance and off-premises sales

The Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 create a requirement to provide certain information to consumers before they enter into a contract, whether that contract is finalised on-premises, off-premises (such as in a consumer's home) or at a distance (for example, via the internet or telephone). In addition, the Regulations prohibit the use of so-called negative options to sell additional products to consumers that are incidental to the main contract. An example of a negative option would be a pre-ticked box on a website, which the consumer would need to untick to avoid

the extra charge.

The information you must give or make available to consumers includes such things as:

- your identity (trading name)
- geographical address
- telephone number
- email address
- the main characteristics of the goods or services
- total price of the goods or services, including all taxes (VAT, for example). If the price is not known, you must give details of how the price will be calculated
- time that you will take to deliver the goods or services

If there are after-sales services or guarantees available you must make the consumer aware of this and any applicable conditions.

If you sell vehicles off-premises or at a distance, you are required to give the consumer a 14-day cancellation period. For sales contracts, the 14-day cancellation period ends 14 days after the day on which the consumer took physical possession of the goods. If you do not state that, following cancellation, the consumer is responsible for returning the vehicle to you at their own cost, then they may have a claim against you for any reasonable costs incurred in doing this.

For more information on the specific requirements contained in these Regulations see:

- 'Consumer contracts: distance sales'
- 'Consumer contracts: off-premises sales'
- 'Consumer contracts: on-premises sales'

Warranties

Any warranty or guarantee that you supply, either free of charge or sold separately with a vehicle, is in addition to a consumer's legal rights. You cannot refuse to deal with a complaint because it is excluded from a warranty or the warranty period has expired. Any warranty you give is legally binding.

Offering credit

Other important legislation exists if you sell vehicles on finance. If you offer credit, or introduce people to sources of credit, you need to be authorised by the Financial Conduct Authority (FCA); see 'Credit and other financial matters'.

Further information

More detailed information regarding used car sales can be found in 'Car traders and consumer law' in Business Companion's Business in Focus section.

Trading Standards

For more information on the work of Trading Standards services and the possible consequences of not abiding by the law, please see 'Trading Standards: powers, enforcement and penalties'.

In this update

No major changes.

Last reviewed / updated: March 2026

Key legislation

- Road Traffic Act 1988
- General Product Safety Regulations 2005
- Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013
- Consumer Rights Act 2015
- Digital Markets, Competition and Consumers Act 2024 (Part 4, Chapter 1)

Please note

This information is intended for guidance; only the courts can give an authoritative interpretation of the law.

The guide's 'Key legislation' links go to the legislation.gov.uk website. The site usually updates the legislation to include any amendments made to it. However, this is not always the case. Information on all changes made to legislation can be found by following the above links and clicking on the 'More Resources' tab.

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