STATE OF NEW YORK

7121

2023-2024 Regular Sessions

IN SENATE

May 18, 2023

Introduced by Sen. KENNEDY -- read twice and ordered printed, and when printed to be committed to the Committee on Transportation

AN ACT to amend the vehicle and traffic law, in relation to dealer sale rescission or cancelation for any vehicle

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The vehicle and traffic law is amended by adding a new section 2124-a to read as follows:

§ 2124-a. Dealer sale rescission or cancelation for any vehicle. (a) A dealer and purchaser may, by concurrence, rescind or cancel the sale of a vehicle not later than the thirtieth day following the date of sale. A rescinded or canceled sale requires return by the dealer to the rightful parties all fees, taxes, and other monies provided to the dealer as part of the sale.

(b) The concurrence of all parties to rescind or cancel the sale shall be acknowledged by dealer and purchaser in a return agreement which shall be retained by the dealer with the vehicle sales records. A canceled or rescinded sale invalidates any requirements imposed upon the dealer to submit an application or remit any fees and taxes if the application, fees or taxes have not been remitted.

(c) If an application has been submitted or fees or taxes remitted or the dealer requires a certificate of title for a vehicle they have elected to subject to this section for resale purposes, the rescinded or canceled sale and return to the rightful parties of all fees and other monies shall be certified by the dealer upon a form prescribed by the commissioner. The form shall be completed and submitted to the commissioner within fifteen days of the date the parties agreed to cancel or rescind the sale, have attached to it a copy of the dealer's return agreement, the certificate of title or included a certification on the form that the certificate of title has been lost or destroyed if a

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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certificate of title has been issued, and the fee pursuant to section twenty-one hundred twenty-five of this article.

(d) Upon receipt of the form, the commissioner shall within seven days of receipt refund to the dealer any fees and taxes paid to or collected by the commissioner for the sale which is subject to the rescission or cancellation less the fee pursuant to section twenty-one hundred twenty-five of this article, and issue a certificate of title to the dealer with the dealer reflected as the owner and the odometer reading as recorded at the time of sale which is subject to the rescission or cancellation. A dealer shall not offer a vehicle they have elected to subject to this section for retail sale until the dealer has received the certificate of title provided by this subdivision.

(e) Any rescission, cancellation, or revocation under this section shall not negate the fact that the vehicle has been the subject of a previous retail sale.

§ 2. This act shall take effect immediately.