

STATE OF NEW YORK

9498

IN SENATE

May 16, 2024

Introduced by Sen. COONEY -- 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:

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

3 § 2124-a. Dealer sale rescission or cancelation for any vehicle. (a) A
4 dealer and purchaser may, by concurrence, rescind or cancel the sale of
5 a vehicle not later than the thirtieth day following the date of sale. A
6 rescinded or canceled sale requires return by the dealer to the rightful
7 parties all fees, taxes, and other monies provided to the dealer as part
8 of the sale.

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12 canceled or rescinded sale invalidates any requirements imposed upon the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

15 (c) If an application has been submitted or fees or taxes remitted or
16 the dealer requires a certificate of title for a vehicle they have
17 elected to subject to this section for resale purposes, the rescinded or
18 canceled sale and return to the rightful parties of all fees and other
19 monies shall be certified by the dealer upon a form prescribed by the
20 commissioner. The form shall be completed and submitted to the commis-
21 sioner within fifteen days of the date the parties agreed to cancel or
22 rescind the sale, have attached to it a copy of the dealer's return
23 agreement, the certificate of title or included a certification on the
24 form that the certificate of title has been lost or destroyed if a
25 certificate of title has been issued, and the fee pursuant to section
26 twenty-one hundred twenty-five of this article.

27 (d) Upon receipt of the form, the commissioner shall within seven days
28 of receipt refund to the dealer any fees and taxes paid to or collected

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

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1 by the commissioner for the sale which is subject to the rescission or
2 cancellation less the fee pursuant to section twenty-one hundred twen-
3 ty-five of this article, and issue a certificate of title to the dealer
4 with the dealer reflected as the owner and the odometer reading as
5 recorded at the time of sale which is subject to the rescission or
6 cancellation. A dealer shall not offer a vehicle they have elected to
7 subject to this section for retail sale until the dealer has received
8 the certificate of title provided by this subdivision.

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

12 § 2. This act shall take effect immediately.