

TAKE CONTROL BEFORE YOU ROLL

Odometer Fraud



Odometer fraud occurs when illegal changes are made to the mileage shown on a used vehicle's title and odometer. This is usually done to mask high mileage on late model used cars.

Odometer fraud is a serious threat to used car buyers that can cost thousands of dollars in frustrating breakdowns and repairs. When increased finance, insurance and repair costs are added, the loss to a consumer who purchases a vehicle with an altered odometer is considerable.

The very nature of the used car market makes it a prime target for fraud. The vehicle can change hands several times before reaching the used car lot and fraud can happen at almost any step in the process. Millions of vehicles receive new titles each year as they are sold at auction to wholesalers and dealers. Unscrupulous operators often commit fraud by recording lower mileage on the new title application, changing the odometer reading and cleaning vehicles so that their appearance matches the lower mileage reading.

In many cases, the dealer selling the vehicle to the consumer may not even be aware that the odometer was altered by a wholesaler or at the auction.

How can I identify odometer fraud?

Before purchasing a used car, take it to a reputable mechanic for an inspection. Ask if the wear on the car looks the same as the miles on the odometer. A mechanic can often spot telltale signs of excessive mileage.

The mechanic should also compare the vehicle identification number on the body of the car with that on the engine, and check the serial numbers of engine and other replacement parts against a replacement parts order book.

Other telltale signs of odometer tampering include:

- Numbers on the odometer look misaligned, or the odometer does not work.
- Missing screws or loose parts on the dashboard, indicating the odometer has been disassembled.
- Non-original or mismatched tires on cars with odometer readings under 30,000 miles.
- Old dated oil change stickers, repair orders or inspection certificates showing mileage inconsistent with the current readings.
- A recent title, a title stamped "duplicate" or a title issued in another state.

Are there any laws that protect me against odometer fraud?

Yes. In 1972 Congress passed the Motor Vehicle Information and Cost Savings Act, popularly known as the Odometer Act, which may be found at 49 U.S.C. 32702. Under the federal Odometer Act it is unlawful to:

- Advertise for sale, sell, use, install, or have installed, a device that makes an odometer register a mileage different from the mileage the vehicle was driven;
- Disconnect, reset, alter, or have disconnected, reset, or altered, an odometer intending to change the mileage registered by the odometer;
- With the intent to defraud, operate a motor vehicle on a street, road or highway, if the person knows that the odometer of the vehicle is disconnected or not operating; or
- Conspire with others to violate the odometer law.

In addition to prohibiting odometer tampering, the law requires all sellers of used vehicles - including private individuals and those who transfer the car's ownership by means of a gift - to certify in writing that to the best of their knowledge the odometer reading is accurate.

Protect yourself. Take the car's serial or vehicle identification number (VIN) and the odometer reading. Then get a list of the previous owners from the Division of Motor Vehicle's Office. A few phone calls to previous owners can help you discover if the odometer reading is correct. Buy only from dealers who keep mileage records dating to the initial purchase of the vehicle. Do your math: a vehicle owner on average racks up between 12,000 to 15,000 miles per year. If the mileage seems too low to be true, be sure to check out the car's history.

What should I do if I have reason to believe that I have been a victim of odometer fraud?

Once you suspect that you have been victimized by odometer fraud you should contact an attorney promptly. Provide the attorney whatever evidence you have gathered of the possible odometer fraud. Your attorney will help you determine whether to file a civil lawsuit for damages against the dealer.

You also can contact the following:

- The **Auto Fraud Section** of the **Louisiana Department of Justice** at **1-800-351-4889**.
- The **National Highway Traffic Safety Administration** at: **NEF-20, 400 Seventh Street, S.W., Washington, D.C., 20590**.
- Your local FBI office or the **Office of Consumer Litigation** in the **U.S. Justice Department, 550 11th Street, N.W., Washington, D.C., 2004**.