

# The Texas Department of Motor Vehicles' Smart Buyer Series

# ODOMETER FRAUD

#### TIPS FOR CAR BUYERS - CHECKING A VEHICLE'S MILEAGE

- 1. EXAMINE THE INTERIOR AND EXTERIOR OF THE VEHICLE CAREFULLY.
- 2. WRITE DOWN THE VEHICLE IDENTIFICATION NUMBER (VIN).
- 3. OBTAIN A VEHICLE INSPECTION REPORT.
- 4. OBTAIN A VEHICLE HISTORY REPORT.
- 5. DO A TITLE CHECK.

Outside of buying a home, your purchase of a motor vehicle will be one of the biggest purchases you will ever make. The Texas Department of Motor Vehicles (TxDMV) is dedicated to helping consumers make informed decisions when buying a motor vehicle. The TxDMV wants you to be a "Smart Buyer."

This Smart Buyer session, "Checking a Vehicle's Mileage," provides tools for consumers to ensure the mileage on the odometer on the car you have bought, or the car you are thinking about buying, is the actual mileage. Unfortunately, with advances in technology and the increased price of vehicles, alteration of or "rolling back" an odometer has become a more frequent problem for consumers. You need to know the true mileage of a vehicle to make sure you are paying the right price for the motor vehicle. The mileage on a vehicle may also tell you if there are reliability or safety issues you should know about before buying.

#### 1. EXAMINE THE INTERIOR AND EXTERIOR OF THE VEHICLE CAREFULLY.

The smart buyer examines the vehicle of interest and looks for the clues that tell a story about the mileage the vehicle has seen over time. LISTEN TO WHAT THE VEHICLE TELLS YOU.

- Check the tires Do the tires look like the original version on a low mileage car?
- Check the interior of the vehicle Is there wear seen on the seats, seatbelts, carpeting and other interior items consistent with the mileage on the odometer?
- Check the exterior of the vehicle Is the paint condition consistent with the mileage on the odometer? Has the vehicle been repainted? Are you looking at a vehicle that has been wrecked and then rebuilt?



**PRO TIP:** ALWAYS ask to the see the title of the vehicle and review the back of the title to see if previous owners reported the mileage. These "assignments" will not be on a title for a vehicle you are buying from an owner who is not a dealer. In this situation, the owners name will be on the front of the title, and the seller and buyer sign the reverse of the title when the vehicle is sold.

Finally, listen to what the seller says about the mileage during the negotiations and in any advertisement of the vehicle. Review the mileage disclosed on the back of the title, and compare it to the mileage printed on the face of the title and any prior reassignments if purchasing from a dealer. If the seller writes that the mileage is "Not Actual Mileage," especially on a newer model vehicle, stop and ask questions.

Note that on older vehicles (10 years or older), the mileage does not have to be reported.

## 2. WRITE DOWN THE VEHICLE IDENTIFICATION NUMBER (VIN).

- What is a Vehicle Identification Number or VIN? The car's VIN is the identifying number
  for a SPECIFIC automobile. The VIN serves as the car's fingerprint, as no two vehicles in
  operation have the same VIN. A VIN is generally composed of 17 characters (digits and
  capital letters) that serve as a unique identifier for the vehicle.
- Where do I find the VIN? The VIN can be found by looking at the dashboard on the driver's side of the vehicle. The easiest way to view it is to stand outside the vehicle on the driver's side and look at the corner of the dashboard where it meets the windshield.
- Is the VIN in more than one place on the vehicle? In most cases, the answer is "Yes." The VIN may also appear in a number of other locations on the vehicle:
  - A. Front of the engine block. This should be easy to spot by popping open the hood, and looking at the front of the engine
  - B. Driver-side doorpost. Open the door, and look near the spot where the door latches near the seatbelt return.

**PRO TIP:** If you are finding multiple VINs on a vehicle, make sure the 17 characters match in each location. If they are not the same, you may be looking at a vehicle that was declared salvage, and then rebuilt with major component parts from various other wrecked vehicles. A licensed salvage vehicle rebuilder may have done this legally or, unfortunately, it may have been done illegally using parts from vehicles that are stolen and then "chopped".

If you still cannot locate the VIN, try consulting the vehicle manual, or call a dealership or the manufacturer and request assistance in locating the VIN.

#### 3. OBTAIN A VEHICLE INSPECTION REPORT.



Obtain a free Vehicle Inspection Report (VIR) from the Department of Public Safety (DPS) website.

• What is the VIR? — A VIR is a compilation of data maintained by DPS and the Texas Commission on Environmental Quality (TCEQ) from the annual vehicle inspection reports performed at Texas inspection stations.

How do I obtain the VIR? Follow these steps:

- 1. Go to <a href="http://www.dps.texas.gov/rsd/vi/">http://www.dps.texas.gov/rsd/vi/</a>
- 2. Click on "Download Your Vehicle Inspection Report" (VIR)
- 3. Enter your VIN
- 4. Click on "Begin Date Time" to obtain inspection details.

When viewing the report, you should see a steady increase in the mileage from report to report. If you see a decrease, this may indicate a rollback.

### 4. OBTAIN A VEHICLE HISTORY REPORT.

Numerous companies offer comprehensive vehicle history reports that can be obtained online. The TxDMV is not recommending one provider over another. Most providers charge a fee for the vehicle history information compiled from various sources such as state vehicle inspection reports, insurance companies, and car dealerships, among others.

**PRO TIP:** A small investment now may save you big dollars and headaches in the end. It may be a good idea to get your own vehicle history report rather than relying on a vehicle history report provided by a third party.

How do I get a vehicle history report?

- Many dealers will obtain a vehicle history report for you or the dealer may have already printed a vehicle history report on the vehicle you are considering. Always check the date on the report to see when it was prepared. If the dealer refuses to provide you with a vehicle history report, obtain a report yourself. There may be a charge when you obtain the report, but remember, this is a big purchase, and you want as much information as possible.
- You can obtain a vehicle history report by going to any of the following websites:

o CARFAX <a href="https://www.carfaxonline.com/">https://www.carfaxonline.com/</a>
o AutoCheck <a href="http://www.autocheck.com">http://www.autocheck.com</a>
o VinAudit.com <a href="http://www.vinaudit.com/">http://www.vinaudit.com/</a>

• Remember: Have the VIN for the vehicle.



There are a number of other vehicle history report providers to choose from that gather information on the vehicle and its history. Reports may differ across providers because they obtain information from different sources that may or may not overlap with sources used by other providers.

When reviewing the vehicle history report, check the following:

- Are there any "flags" on the report? If there is a flag, there is often a problem. Read the reason for the "flag" carefully, and ask questions.
- Starting from the first entry, read each entry to make sure there is a steady increase in the mileage reported. The average annual miles driven by a person is 15,000 miles.

#### 5. DO A TITLE CHECK.

Obtain a title history check from TxDMV.

Why would I do a Title Check?

Title Check validates the current state of title and last title date. This ensures customers are purchasing the vehicle on a valid title and prevents fraud and auto theft. Title Check provides a vehicle's brand history. This protects consumers from unknowingly purchasing a vehicle that was previously salvaged, or has some other value-limiting brand. Title Check allows customers to verify the odometer reading making them less susceptible to odometer fraud. Title Check also provides the insurance and salvage history of a vehicle. Customers will learn whether a vehicle was the subject of a total loss claim or was sold through a salvage yard, even if the vehicle did not meet the definition of salvage. The VIN is run through the National Motor Vehicle Title Information System (NMVTIS), a national consumer protection database that provides title information from states across the country.

*Is there a charge for Title Check?* 

Yes. The price of the Title Check varies between the services provided by approved vendors.

How do I do a Title Check?

Remember to have the VIN for the vehicle.

- 1. Go to http://www.txdmv.gov/titlecheck
- See "Title Check"

### ADDITIONAL RESOURCES THAT MAY HELP YOU VERIFY THE MILEAGE



- USE GOOGLE OR OTHER SEARCH ENGINES Enter information on your vehicle, and you may find advertisements previous offers to sell the vehicle, etc.
- SALVAGE DATABASE The <u>SALVAGE DATABASE</u> provides information about salvage or junk vehicles; damage from hail, flood or fire; some mileage discrepancies or odometer rollbacks; and gray market vehicles. There is no costs for using this service.
- NICB VINCHECK What is NICB? The National Insurance Crime Bureau (NICB) is a nonprofit organization with membership that includes 1,100 property and casualty insurance companies, vehicle rental companies, auto auctions, vehicle finance companies, and selfinsured organizations dedicated to fighting insurance fraud and crime.

What is this service? NICB's <u>VINCheck</u> is a free service provided to the public to assist in determining if a vehicle has been reported as stolen, but not recovered, or has been reported as a salvage vehicle by cooperating NICB member insurance companies. To perform a search, a VIN is required. A maximum of five searches can be conducted within a 24-hour period per IP address.

#### WHAT TO DO IF I THINK MY ODOMETER HAS BEEN ALTERED OR ROLLED BACK

If you discover the odometer has been altered or rolled back, you may take one or more of the following actions:

- 1. If you bought your vehicle from a dealer, you may want to discuss your findings with the dealer.
- 2. You may have a civil action, and you should see an attorney. Disconnecting, turning back, or resetting the odometer of any motor vehicle to reduce the miles on an odometer is specifically listed as a deceptive act under the <u>Texas Deceptive Trade Practices Act</u>. See TEX. BUS. & COM. CODE 17.46(16).
- 3. If you have bought a vehicle from a dealer, file a <u>complaint</u> with the TxDMV. If you are filing a complaint with the TxDMV, please include copies of all of the information you may have collected on the vehicle with your complaint to speed the investigation.
- 4. File a complaint with local law enforcement. Altering an odometer with the intent to deceive is a criminal offense. See <u>Texas Transportation Code §727.002</u>.
- 5. For large-scale investigations, the National Highway Traffic Safety Administration (NHTSA) Office of Odometer Fraud Investigation can provide assistance. You may help an investigation by reporting a suspicious VIN to the NHTSA Office of Odometer Fraud Investigation at (202) 366-4761. In addition, The NHTSA Office of Odometer Fraud



Investigation may help you with general inquiries about odometers and may be able to help you to determine if other legal or law enforcement authorities need to be contacted.

Please see other sessions in the "Smart Buyer" series to help you make the best decision possible. The staff that developed "Smart Buyer" is always interested in new ideas or tips that will make this tool more useful for consumers. If you have a suggestion on how to make this "Smart Buyer" or any of the other "Smart Buyer" topic more helpful for consumers, please send your suggestion to enforcement@txdmv.gov.

FOR INFORMATION OR HELP, CONTACT:

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