Consumer and Worker Protection

Inspection Checklist: Secondhand Auto Dealers

Do you or your business sell used cars, trucks, and/or motorcycles?

Do you or your business accept used vehicles toward the purchase of a new or used vehicle, including as trade-in, credit, or down payment?

Use this checklist to learn what our inspectors look for and help avoid violations. All businesses also must comply with the General Retail Inspection Checklist, which is included at the end for easy reference.

For your convenience, each Requirement includes the relevant section of law and/or rule, so you can refer to it for more information. The KEY below describes the legal citations and symbols used in this checklist.

KEY
NYC Code: NYC Administrative Code **NYCRR:** NY Codes, Rules, and Regulations **RCNY:** Rules of the City of New York **VTL:** NY Vehicle Traffic Law **§:** Section

Requirement		**Do you meet this requirement?**
Licenses		
1	Your business must have a valid DCWP Secondhand Dealer Auto license.	☐ Yes
	NYC Code §20-265	
2	DCWP's combined license and complaint sign must be posted where all customers can see it.	☐ Yes
	6 RCNY §1-03(a)	
3	All printed matter that is given to customers (e.g., advertisements, business cards, flyers, receipts, contracts, correspondence) must have the license number and the license number must be identified as a DCWP license number.	☐ Yes
	6 RCNY §1-05	
4	Vehicles cannot be parked, stored, displayed, or left standing partially or completely on the sidewalk or street.	☐ Yes
	6 RCNY §2-103(m)(2)	
Signage		
5	If your business sells new and used vehicles and displays them in the same area, a sign stating that you sell new and used vehicles must be posted in that area where all customers can see it. **Tip:** The sign must be at least 216 square inches with letters at least 2 inches high.	☐ Yes
	NYC Code §20-270	
6	If your business sells new and used vehicles, each of the used vehicles must be clearly labeled so that customers know they are used.	☐ Yes
	NYC Code §20-271(a)	

Consumer and Worker Protection

Inspection Checklist: Secondhand Auto Dealers

Requirement		Do you meet this requirement?
7	Every vehicle must have a total selling price sign posted clearly and conspicuously on the vehicle's dashboard or window or within 5 feet of the vehicle. The sign must easily match to the vehicle and include: • The total selling price. Lettering must be clear, legible, bold, and at least 1 inch in height. • A statement that taxes and fees for securing registration and certificate of title are not included. Lettering must be clear, legible, and at least one-half as high and one-half as wide as the largest print on the sign.	☐ Yes
	NYC Code §20-271(b)(1); 6 RCNY §2-105(b)	
8	The total selling price for every add-on product offered for sale must be on a sign posted clearly and conspicuously at the point of display of each vehicle or at each location where the product is offered for sale. The sign must: • List the total selling price of add-on products very close to the product description. • For each extended warranty product, if a specific price is not listed, list the range of prices, including the minimum and maximum price, very close to the product description and the factors that may cause the price to vary (e.g., vehicle's make, model, year, and mileage). • Lettering for the descriptions and prices must be clear, legible, and the same size, which must be at least 1 inch high. If the sign is posted on the vehicle, the lettering must be at least half an inch high. • Include the statement: "**YOU ARE NOT REQUIRED TO BUY ANY ADD-ON PRODUCTS IN ORDER TO PURCHASE A CAR AT THE ADVERTISED PRICE.**" Lettering must be clear, legible, bold, and capitalized. Size of lettering must be at minimum one-quarter inch in height, and it must be at least one-half as high and one-half as wide as the largest print on the sign. **Tip:** Add-on products include vehicle service contracts, extended service contracts, prepaid maintenance packages, road service or club membership, theft protection, car alarm, auto immobilizer, vehicle ID number etching, mechanical breakdown, guaranteed auto protection, and credit life, accident, or disability insurance.	☐ Yes
	NYC Code §20-271(b)(2), §20-264(a); 6 RCNY §2-105(c)	
9	The Federal Trade Commission's (FTC) Buyers Guide must be posted on every used car offered for sale where all customers can see it. • Both sides must be visible and readily readable to the customer. • The Buyers Guide must state Vehicle Make, Model, Year, and Vehicle Identification Number (VIN). • The box "Implied Warranties Only" OR the box "Dealer Warranty" must be checked. **Tip:** The Buyers Guide is available for download on the FTC website.	☐ Yes
	6 RCNY §5-75(a)	

Consumer and Worker Protection

Inspection Checklist: Secondhand Auto Dealers

Requirement		Do you meet this requirement?
10	DCWP's Used Car Consumer Bill of Rights sign must be posted where all customers can see it in every office or area where contracts are negotiated and executed. **Tip:** Dealers who sell only new vehicles or scrap, junk, or salvage vehicles do not have to post the sign. **Tip:** The sign must be at least 18 inches by 24 inches. **Tip:** The sign must be posted in English and in every language that the dealer does business in if the translation is available on the DCWP website: nyc.gov/BusinessToolbox	☐ Yes
	6 RCNY §2-108(a)	
Forms and Disclosures		
11	You must disclose to any consumer entering into a retail installment contract the lowest annual percentage rate (APR) offered by any financing company for a loan with the same terms, number of payments, collateral, and down payment to the consumer. You must also disclose any fees you charge for financing. **Tip:** The model form Financing Disclosure – Sale of Used Car is available on the DCWP website: nyc.gov/BusinessToolbox **Tip:** The disclosure must be provided to the consumer in the language in which the contract was negotiated if the translation is available on the DCWP website. **Tip:** The form must be signed or initialed by the consumer. **Tip:** Copies of the signed or initialed forms must be kept for 6 years and available for inspection.	☐ Yes
	NYC Code §20-268.1(e)(2), §20-268.5(a)(3); 6 RCNY §2-106	
12	DCWP's Used Car Consumer Bill of Rights form must be given to the consumer and signed or initialed by the consumer before any sales contract (i.e., bill of sale) is executed. **Tip:** Copies of the signed or initialed forms must be kept for 6 years and available for inspection. **Tip:** The form must be provided to the consumer in the language in which the contract was negotiated if the translation is available on the DCWP website.	☐ Yes
	NYC Code §20-268.4(b)(2); 6 RCNY §2-108, 6 RCNY §2-109(a)	
13	Recall information printed directly from the National Highway Transportation Safety Administration (NHTSA) website (nhtsa.gov/recalls) must be given to the consumer before any sales contract (e.g., bill of sale) is executed for a used automobile, automobile part, or equipment that has been recalled by NHTSA. This disclosure must be in writing and signed or initialed by the consumer. **Tip:** The signed or initialed disclosures must be kept for 5 years and available for inspection.	☐ Yes
	NYC Code §20-268(h)	

Consumer and Worker Protection

Inspection Checklist: Secondhand Auto Dealers

Requirement		Do you meet this requirement?
14	You must provide consumers with a contract cancellation option that allows them to cancel the contract within 2 weekdays. DCWP's NYC Used Car Contract Cancellation Option form must be given to the consumer and signed by the consumer before any bill of sale is executed. **Tip:** Consumers cannot take a car home but, if they are trading in a car and pay the necessary fee, they can use the trade-in during the cancellation period. **Tip:** Signed forms must be kept for 6 years and available for inspection. **Tip:** The form must be provided to the consumer in the language in which the contract was negotiated if the translation is available on the DCWP website.	☐ Yes
	NYC Code §20-268.2, §20-268.5(a)(4); 6 RCNY §2-107	
Record Keeping		
15	All records must be available for inspection.	☐ Yes
	NYC Code §20-273(e)	
16	Records of sales and purchases (e.g., the "police book") must be written in English and must contain all of the following information for purchases and sales: • Detailed description of the used vehicle sold or purchased, including make, model, and year of manufacture • Inscription or identifying marks, including VIN • Names and addresses of the seller and the buyer of the vehicle • General descriptions of the seller and buyer • Date of the sale or purchase • How the vehicle was removed from the premises • Name, address, and date of birth of the person who removed the vehicle, and the person's driver's license number, including the state that issued the license • Motor vehicle registration number of any vehicle used to tow, remove, or transport the vehicle • Destination of the removed vehicle **Tip:** The records of sales and purchases (e.g., the "police book") do not have to include a description of the seller for vehicles purchased at auction. **Tip:** The records must be kept for 3 years.	☐ Yes
	NYC Code §20-273(a), §20-273(d); 6 RCNY §1-16(a)	

Consumer and Worker Protection

Inspection Checklist: Secondhand Auto Dealers

Requirement		Do you meet this requirement?
17	Records of sellers' IDs must contain the type, number, description of the ID given by the seller, and the seller's signature. The only acceptable forms of ID are: • Official document issued by the U.S. government, state, county, or municipality; a public agency; a public or private employer. These documents must have a signature. **OR** • Police, fire department, or postal department badge containing numbers. **Tip:** The records must be kept for 3 years.	☐ Yes
	6 RCNY §2-101, 6 RCNY §1-16(a)	
18	A record of the odometer reading at the time your business purchased each car must be kept. **Tip:** The records must be kept for 3 years.	☐ Yes
	6 RCNY §2-103(h), 6 RCNY §1-16(a)	
19	Records of deposits must include the following: • Date the dealer received the deposit • Amount of the deposit • Name and address of the customer who paid the deposit • Receipt number • Description of the vehicle • Statement of whether the deposit was applied to a sales contract, refunded to the customer who paid the deposit, or used in another way **Tip:** The records must be kept for 3 years.	☐ Yes
	6 RCNY §2-103(k)(3), 6 RCNY §1-16(a)	
20	If your business buys used catalytic converters, you must get the following information from the seller: • Year, make, model, and Vehicle Identification Number (VIN) of the vehicle from which the used catalytic converter was removed • Copy of the Certificate of Title from the previous owner of the catalytic converter or, if the seller is a motor vehicle repair shop, the name and address of the owner of the vehicle and copies of all invoices related to the repair • The unique identifying number of the used catalytic converter, if any **Tip:** You must determine that the catalytic converter matches the manufacturer's specifications for the vehicle identified by the seller. **Tip:** You must keep an electronic record of this information for 6 years.	☐ Yes
	NYC Code §20-268.7	

Consumer and Worker Protection

Inspection Checklist: Secondhand Auto Dealers

Requirement		Do you meet this requirement?
Bill of Sale		

21	A bill of sale, receipted invoice, or other evidence transferring title must be completed for every sale and include all of the following:
	• Make, model, VIN of vehicle sold
	• Manufacture year
	• Cash selling price and/or financed price, listing finance charges
	• Exact method of payment
	• *If traded in*, the document must include:
	  • Allowance on vehicle traded in AND
	  • Description by year, make, and VIN
	• DCWP license number
		☐ Yes

	6 RCNY §2-103(a), 6 RCNY §1-05	
22	Your bill of sale must contain the following provision: NYC DEPARTMENT OF CONSUMER AND WORKER PROTECTION LICENSE NO. (INSERT DCWP LICENSE NUMBER). IF YOU HAVE A COMPLAINT ABOUT THIS BUSINESS, VISIT NYC.GOV/DCWP OR CONTACT 311. **Tip:** This information must be in at least 10 point font and on the same page where the buyer signs.	☐ Yes
	6 RCNY §2-103(g)(1)(ii)	
23	Your bill of sale must include the following statement on the face of the bill: Used Vehicle Certification. If this motor vehicle is classified as a used motor vehicle, the dealer named above certifies that the entire vehicle is in condition and repair to render, under normal use, satisfactory and adequate service upon the public highway at the time of delivery. **Tip:** This information must be in at least 10 point font.	☐ Yes
	6 RCNY §2-103(g)(1)(i); NYCRR §78.13(b); VTL §417	
24	Your bill of sale cannot include any of the following: • Disclaimer that the sale of the used vehicle is “as is” • Disclaimer of warranties • Term that limits the dealer’s duty to repair defects that exist at the time of sale • Term that limits the dealer’s duty to pay for the repair of defects that exist at the time of sale	☐ Yes
	6 RCNY §2-103(g)(1)(iii)	

For more information: **Visit** nyc.gov/BusinessToolbox | **Contact 311** (212) NEW-YORK (Outside NYC)

This document is provided for informational purposes only, is not exhaustive, and does not constitute legal advice. New York City businesses must comply with all relevant federal, State, and City laws and rules. Businesses are responsible for knowing and complying with current regulations that affect their business.

NYC Consumer and Worker Protection

Inspection Checklist: General Retail

Does your business sell goods or services?

Use this checklist to learn what our inspectors look for and help avoid violations. For your convenience, each Requirement includes the relevant section of law and/or rule, so you can refer to it for more information. The KEY below describes the legal citations and symbols used in this checklist.

KEY
NYC Code: NYC Administrative Code **RCNY:** Rules of the City of New York **NY GBL:** NY General Business Law **§:** Section

Requirement		**Do you meet this requirement?**
Price Lists for Services		
1	A price list must be displayed and include the following: • List of the type of services • Minimum price for each service • Conditions or variations of service that change the minimum price • Range of additional charges caused by conditions or variations (e.g., $10 pants, $15 pants with pleats) • (*if the price is based on an hourly labor rate*) Rate as dollars per hour **Tip:** If the price list states a price "and up" or "from"—e.g., "$5 and up" or "from $5"—it must also state the reason(s) for the different prices and include the range of prices.	☐ Yes
	6 RCNY §5-70(a)	
2	The price list must be clearly posted or clearly displayed at the place(s) where payment is made (e.g., near the cash register) and/or where orders are placed.	☐ Yes
	6 RCNY §5-70(a)	
3	If there is a sale or promotion, the pre-sale prices must also be posted.	☐ Yes
	NYC Code §20-750(b)	
4	Prices for services cannot be based on gender. **Tip:** Words like "men's," "women's," and "ladies'" cannot be used to describe the price.	☐ Yes
	NYC Code §20-750(c)	
Pricing for Goods		
5	All items offered for sale must show a price, exclusive of tax, as follows: • The price must be attached to the item by a stamp, tag, or label. OR • The price must be stated on a sign that is plainly visible where the item is displayed.	☐ Yes
	NYC Code §20-708, NYC Code §20-708.1	

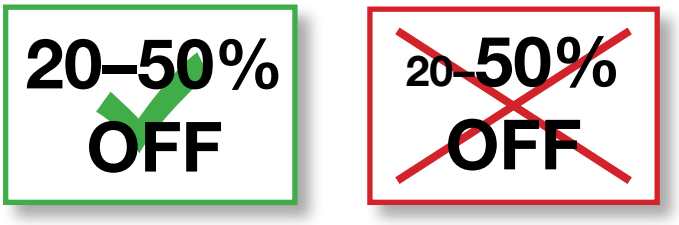
Consumer and Worker Protection

Inspection Checklist: General Retail

Requirement		Do you meet this requirement?
6	If your store's annual revenue is more than $2 million or you are a chain store, you must individually price each item, including food products, paper products, detergents, soaps, nonprescription drugs, and health and beauty aids. *Exceptions:* • You do NOT need to individually price each item if you provide price scanners for customer use that meet the following requirements: – Price scanners are within 30 feet of an item OR there is a sign in view of the item that says "A Price Scanner for Customer Use to Check Prices is Located _____ (indicate location)." AND – The number of price scanners available to customers is based on the number of checkout stations: 1–3 checkout stations = 1 or more price scanners 4–5 checkout stations = 2 or more price scanners 6–7 checkout stations = 3 or more price scanners 8–9 checkout stations = 4 or more price scanners 10 or more checkout stations = 5 or more price scanners • The following items must be individually priced unless shelf prices and a price look-up function are provided: – Milk – Items that are under 3 cubic inches in size, weigh less than 3 ounces, and cost under 1 dollar – Eggs – Fresh produce not packaged for retail sale – Products sold through a vending machine – Food sold for consumption on the premises – Snack foods offered for sale in single packages that weigh 5 ounces or less, e.g., cakes, gum, candies, chips, and nuts – Cigarettes, cigars, tobacco, and tobacco products – Food offered for sale in bulk – Frozen juice – Ice cream – Frozen foods packaged for final retail sale in plastic bags – Items on sale for 1 week or less, but only if they are located in a segregated display at the end of the aisle and the sale period, name of the product, and the advertised price are clearly posted on a sign at the point of display – Jars of baby food	☐ Yes
	NYC Code §20-708.1(b), NYC Code §20-708.1(c)	

NYC Consumer and Worker Protection

Inspection Checklist: General Retail

Requirement		Do you meet this requirement?
Signs		
7	Sale signs that advertise a price range or percent discount—example: "Savings of 20 to 50%" or "20% to 50% off"—must state the minimum and maximum percentages in equal size.  **6 RCNY §5-94(a)(1)**	☐ Yes
8	Advertising, including sale signs, cannot contain any of the following phrases: • "Our list price" • Below "manufacturer's wholesale cost" • "Manufacturer's cost" **6 RCNY §5-101**	☐ Yes
9	Businesses that sell goods and services must post a refund policy sign. **Tip:** A refund policy sign must be posted at each register, point of sale, or entrance, or attached to each item. **Tip:** Even if the policy is not to give refunds, a sign must be posted stating "No Refunds." **Tip:** The sign must state that a written copy of the store's refund policy is available on request. **6 RCNY §5-37; NY GBL §218-a**	☐ Yes
10	The refund policy sign must state any and all conditions or limitations to getting a refund. For example, it must state: • Any fees charged for refunds, such as "restocking fees" • If a refund will not be provided for "as is" or "sale" items • Whether the refund will be in cash, credit, or store credit only • If proof of purchase is required for a refund • If a refund will be provided at any time or within a specific period of time **6 RCNY §5-37; NY GBL §218-a**	☐ Yes

NYC Consumer and Worker Protection

Inspection Checklist: General Retail

Requirement		Do you meet this requirement?
11	If you charge additional fees for credit card purchases, you **must display the highest total price for each purchase** (excluding sales tax). This means that if a purchase with a credit card would be higher than a cash purchase, the credit card purchase price **must be displayed to customers.** If you post both the cash and credit card price, the credit card price must be clear and conspicuous. You CANNOT: • Put a sign on the wall or at the register that notifies a fee is applied to all credit card sales. • Advertise a cash discount without including the higher credit card price. • Charge separate line items to credit card users on a customer receipt **without** clearly posting the total price prior to purchase. • Include a credit card surcharge warning on the item price tag. **Tip:** Visit https://dos.ny.gov/business-resources for more information and examples.	☐ Yes
	6 RCNY §5-24	
12	If there are limitations on using credit cards, such as minimum purchase amounts, the policy must be clearly posted at or near each entrance and in all advertising that indicates credit cards are accepted.	☐ Yes
	6 RCNY §5-24(b)	
Receipts		
13	Receipts must be given to customers for purchases over $20 and upon request for purchases between $5 and $20. **Tip:** This does not apply to food and drink that is meant to be consumed on the premises.	☐ Yes
	6 RCNY §5-32	
14	The receipt must include each of the following: • Date of purchase • Amount paid for each item • Total amount paid • Separate statement of tax • Business name and address	☐ Yes
	6 RCNY §5-32(c)	
15	Receipts for audio, photographic, and video equipment that cost more than $100 must also include the make and model number of the item.	☐ Yes
	6 RCNY §5-32(c)(5)	

NYC Consumer and Worker Protection

Inspection Checklist: General Retail

Requirement		Do you meet this requirement?
Price Accuracy		
16	The price charged for an item at checkout, including scanned items, must not exceed the item's tagged, stamped, or marked price, shelf price, sale price, or advertised price.	☐ Yes
	NYC Code §20-708.1(d), NYC Code §20-708.1(e)	
17	Tax cannot be charged on tax-exempt items. **Tip:** Examples of tax-exempt items include but are not limited to: feminine hygiene products, canned vegetables, baby food, clothing under $110, diapers, nonprescription or over-the-counter drugs, contraceptives. **Tip:** Check with the New York State Department of Taxation and Finance for a complete list of which items are exempt.	☐ Yes
	6 RCNY §5-41	
Layaway Plans		
18	A "layaway plan" means a purchase over $50 where consumers agree to pay for the purchase in 4 or more installments before getting the merchandise. If a layaway plan is offered, each of the following written disclosures must be provided to consumers prior to accepting any payments: • Description of the item, including name of manufacturer, brand name, color, size, style, or model number • Total cost of the item, including tax, installation, delivery, or freight charges • Any charge to use layaway, including any service charge, carrying charge, or cancellation fee • Duration of the layaway plan • Payment schedule and any consequences of missed payments • Refund policy regarding the payments • Notice of where the item is being stored, if other than the place of purchase, or if the item will not be removed from inventory until additional payments are made: *Example 1:* NOTICE: NO MERCHANDISE WILL BE REMOVED FROM INVENTORY UNTIL X% OF THE PURCHASE PRICE HAS BEEN PAID. *Example 2: ATTENTION: YOUR SELECTION OF MERCHANDISE WILL NOT BE ORDERED UNTIL YOU HAVE MADE YOUR NEXT TO FINAL PAYMENT.*	☐ Yes
	6 RCNY §5-23; NY GBL §396-t	

Consumer and Worker Protection

Inspection Checklist: General Retail

Requirement		Do you meet this requirement?
Expired Over-the-counter Medication		
19	It is illegal to sell over-the-counter medication after the expiration date on the label. **NYC Code §20-822(a)**	☐ Yes
Cash Payments		
20	Your store cannot refuse to accept cash payments from consumers. *Exceptions:* • Your store may refuse bills above $20. • Your store may refuse cash payments for telephone, mail, or internet-based transactions, unless the transaction takes place in the store. • Your store may accept prepaid cards from an on-site device that converts cash into prepaid cards, but only if: – The device does not charge a fee for the prepaid card or require a minimum deposit above $1. – Upon request, the device provides the consumer with a receipt stating the amount of cash the consumer deposited onto the prepaid card. – Cash deposits onto the prepaid card do not expire. – There is no limit on the number of transactions a consumer can complete with the prepaid card. You must clearly post a sign on or immediately next to the device when it is not working that states your store is required to accept cash payments and consumers may report violations by calling 311. **NYC Code §20-840**	☐ Yes
21	Your store cannot charge a consumer who pays in cash a higher price for the same "consumer commodity" than a consumer who pays by credit card or other cashless transaction. **Tip:** "Consumer commodity" means any article, good, merchandise, product, or commodity of any kind that is produced, distributed, or offered for retail sale. **NYC Code §20-840(c)**	☐ Yes

For more information: **Visit** nyc.gov/BusinessToolbox | **Contact 311** (212) NEW-YORK (Outside NYC)

This document is provided for informational purposes only, is not exhaustive, and does not constitute legal advice. New York City businesses must comply with all relevant federal, State, and City laws and rules. Businesses are responsible for knowing and complying with current regulations that affect their business.