

NEW MOTOR VEHICLE WARRANTIES (EXCERPT)
Act 87 of 1986

257.1401 Definitions.

Sec. 1. As used in this act:

(a) "Consumer" means 1 or more of the following:

(i) A person who purchases or leases a new motor vehicle for personal, family, or household use and not for the purpose of selling or leasing the new motor vehicle to another person.

(ii) A person who purchases or leases less than 10 new motor vehicles a year.

(iii) A person who purchases or leases 10 or more new motor vehicles a year only if the vehicles are purchased or leased for personal, family, or household use.

(iv) Any other person entitled to enforce the provisions of an express warranty pursuant to the terms of that warranty.

(b) "Lessee" means a person who, under a lease, acquires the right to possession and use of a new motor vehicle.

(c) "Lessor" means a person who, under a lease, transfers the right to possession and use of a new motor vehicle.

(d) "Manufacturer" means a person who manufactures, assembles, or is a distributor of new motor vehicles and includes an agent of a manufacturer but does not include a new motor vehicle dealer.

(e) "Manufacturer's express warranty" means an express warranty as determined under the uniform commercial code, 1962 PA 174, MCL 440.1101 to 440.11102, offered by the manufacturer on a new motor vehicle.

(f) "Motor vehicle" means a motor vehicle as defined in section 33 of the Michigan vehicle code, 1949 PA 300, MCL 257.33, that is designed as a passenger vehicle, or sport utility vehicle, but does not include a motor home, bus, truck other than a pickup truck or van, or a vehicle designed to travel on less than 4 wheels.

(g) "New motor vehicle" means a motor vehicle that is purchased or leased in this state or purchased or leased by a resident of this state and is covered by a manufacturer's express warranty at the time of purchase or lease.

(h) "New motor vehicle dealer" means a person or that person's agent who holds a dealer agreement for the sale of new motor vehicles, who is engaged in the business of purchasing, leasing, selling, exchanging, or dealing in new motor vehicles, and who has an established place of business in this state.

(i) "Person" means a natural person, a sole proprietorship, partnership, corporation, association, unit or agency of government, trust, estate, or other legal entity.

(j) "Resident of this state" means as follows:

(i) For an individual, an individual who is a legal resident of this state.

(ii) For a sole proprietorship or partnership, a sole proprietorship or partnership created pursuant to the laws of this state and its main office is located in this state.

(iii) For a corporation, a corporation that is a domestic corporation and was created under the laws of this state.

(iv) For an association, an association created pursuant to the laws of this state and its main office is located in this state.

(v) For a unit or agency of government, a unit or agency of government located in this state.

(vi) For a trust, estate, or other legal entity, a trust, estate, or other legal entity created pursuant to the laws of this state and that is located in this state.

(k) "Lease price" means the actual vehicle sales price paid by the lessor including any cash payment by the consumer and the sum equal to any allowance for any trade-in but excludes debt from any other transaction as well as any manufacturer to consumer discount, rebate, or incentive appearing in the agreement or contract that the consumer received or that was applied to reduce the purchase or lease cost. Additionally, any sales tax, license and registration fees, and similar government charges not included elsewhere paid by the lessor on behalf of the lessee are included as a part of lease price.

(l) "Purchase price" means the actual vehicle sales price listed on the buyer's order including any cash payment by the consumer and the sum equal to any allowance for any trade-in but excludes debt from any other transaction as well as any manufacturer to consumer discount, rebate, or incentive appearing in the agreement or contract that the consumer received or that was applied to reduce the purchase cost. Additionally, any sales tax, license and registration fees, and similar government charges not included elsewhere paid by the consumer are included as a part of purchase price.

History: 1986, Act 87, Eff. June 25, 1986;—Am. 1998, Act 486, Imd. Eff. Jan. 4, 1999.

Popular name: Lemon Law

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