

Buying and selling

Your legal obligations

When a vehicle is bought or sold privately, *both* the buyer *and* the seller are legally required to *independently* notify the NZ Transport Agency of the sale and acquisition.

They must do this without delay.

What happens if I don't notify a sale or acquisition?

If you don't notify the sale or acquisition, you could get a fine of up to \$1000 as an individual and \$5000 if a company. You may also have to pay:

- any unpaid licence fees that are owing on the vehicle
- any road user charges (RUC) that are owing on the vehicle
- the other person's fines (eg parking and speed camera fines and fines for not displaying a current warrant of fitness or licence label).

If you buy or sell a vehicle from a motor vehicle trader, they may complete some or all of the notification process on your behalf. However, you should *always* confirm that the trader has completed this process.

Buying and selling checklist

- When you buy or sell a vehicle, you should ensure it has a *warrant of fitness* (VoF) that is no more than one month old when the buyer takes possession.
- If the vehicle is subject to *road user charges*, it should have a current RUC licence.
- It is also recommended that the vehicle has a current vehicle *licence* or exemption from licensing.
- To confirm a vehicle is not reported as stolen, you can check online at: www.nzta.govt.nz/online.

Advice for sellers

You can notify your part of the sale by using the Transport Agency's online transaction centre, or by mailing a prepaid form to the Transport Agency.

Using the online transaction centre

1. Access the online transaction centre:
www.nzta.govt.nz/online.
You'll need to have your New Zealand driver licence available.
2. Select 'Let us know you've sold a vehicle' and enter details as requested.
3. It's recommended that you print out the confirmation page as your proof that you have notified the sale of the vehicle.

When the Motor Vehicle Register is updated with your notification, you'll be sent a letter acknowledging that the online form has been received and confirming whether the buyer has completed their notice. (Please note that sometimes exceptions exist that prevent a letter being sent.)

How do I know the buyer has notified their acquisition?

Before handing the vehicle over you should, for your protection and to avoid incurring any fines or fees that are not yours, ask the buyer to show you one of the following documents:

- A notice of acquisition transfer receipt.
- An email confirmation page (if they have completed their transaction online).
- The receipt section of a *Notice by person acquiring motor vehicle* form (MR13B).

Advice for buyers

You can notify your acquisition by completing a form at an agent of the Transport Agency, or online at: www.nzta.govt.nz/online.

Completing a form at an agent

1. Complete the *Notice by person acquiring motor vehicle* form (MR13B) and give it to an agent with the fee of \$9.00 (incl. GST).
2. You'll need to produce your New Zealand driver licence as proof of identification. If you don't have your driver licence, you'll need to show other ID that includes your full name, signature and date of birth.

If you're an organisation, you'll need to quote your Transport Agency customer number. If you haven't applied for a customer number, the Certificate of Incorporation issued by the Companies Office will be accepted as suitable identification.

Correct ID must be produced for the form to be processed.

3. Ask the agent to give you a *transfer receipt*. Take this to the seller when you pick up the vehicle - it proves you've notified the Transport Agency of your acquisition of the motor vehicle.

Using the online transaction centre

(Note that at the present time, only private individuals can use this facility to notify that they have bought a vehicle.)

1. Access the online transaction centre at:
www.nzta.govt.nz/online. You will need to have your New Zealand driver licence available to confirm who you are, and a credit card to pay the fee of \$9.

If you don't have your driver licence, you will be unable to complete your part of the process online, but you can still complete it at an agent.

2. Select 'Let us know you've bought a vehicle' and enter details as requested.
3. Print out the confirmation page as proof that you have completed your notice. Take the confirmation page to the seller when you pick up the vehicle - this proves to them that you have notified the Transport Agency of your acquisition of the motor vehicle.

Certificate of Registration

Your new Certificate of Registration should arrive in the post within 10 days. **Keep it in a safe place until you decide to sell the vehicle.**

Information the buyer must supply

If you're an **individual** buying a vehicle, you must supply:

- your full name
- your date of birth
- your residential address (it must be a New Zealand address)
- your postal address (if it's different from the above)
- identification that confirms your full name, date of birth and signature.

If you're an **organisation** buying a vehicle, you must supply:

- the full name of the new organisation
- the place of business (it must be a New Zealand address)
- the postal address (if it's different from the above)
- corporate identification in the form of a Transport Agency customer number or Certificate of Incorporation issued by the Companies Office.

Question and answers

Where can I find an agent?

Agents are selected branches of Vehicle Testing New Zealand, Vehicle Inspection New Zealand and the Automobile Association, PostShops and a range of independent agencies.

What if I don't have the right ID on me?

An MR13B form (used by buyers) won't be accepted without suitable identification. When you visit an agent, make sure you take identification with you that shows your full name, signature and date of birth.

What does it mean to be 'registered in respect of a vehicle'?

The party required to be 'registered in respect of the vehicle' is the person or company that is entitled to lawful possession of the vehicle. Note that this is *not* legal title for the vehicle - it is a record of who is responsible for the vehicle and who is liable for licensing fees.

A vehicle can be registered in the name of:

- a private individual aged 15 or over
- a limited liability company
- a government department, local authority or official board
- an incorporated society or club.

What if it's a business vehicle but my business isn't incorporated?

You must use your individual name, but your organisation's name may be shown as a *trading name* (eg 'John Smith, trading as A1 Design'). Your business name will appear on all the documents, but you will be recorded as the person responsible for the vehicle.

What should I do if the vehicle's RUC licence has expired?

The Road User Charges Act 2012 requires a vehicle that is subject to RUC to have a valid RUC licence when a new owner takes possession. If it doesn't, the seller is committing an offence, and the new owner may become liable for the outstanding fees. It's recommended that unpaid RUC is taken into account when establishing the sale price. The Transport Agency doesn't become involved in these negotiations.

If you have any questions about RUC, read factsheet 38, *Road user charges and light diesel vehicles* or call the RUC contact centre: 0800 655 644.

What should I do if the WoF has expired or is more than one month old?

Buyers can insist on a WoF being less than one month old. This helps protect them if faults have developed in the vehicle since the last WoF check.

If the buyer doesn't insist on this, they should give the seller written confirmation that they accept that the WoF is older than one month old. This protects the seller - it confirms that the buyer is aware that the current WoF is older than one month.



Vehicles without a current WoF must be advertised for sale 'as is, where is'. If the buyer is happy with that, they should give the seller a written undertaking that the vehicle won't be used on the road except for taking it for repair or a new warrant of fitness inspection.

What should I do if the vehicle's licence has expired?

If you buy a vehicle with an expired licence label (vehicle licensing is sometimes incorrectly called 'registration') you're required to pay licence fees

from the date you acquire the vehicle. If the vehicle isn't going to be used on the road, you should apply for an exemption from licensing. (Do this after you have notified acquisition.)



You'll need to fill out an *Application for exemption from continuous licensing* form (MR24), available online at

www.nzta.govt.nz/online or from an agent.

The seller is liable for any outstanding licence fees up to the date of the sale and acquisition.

For more information on vehicle licensing and exemptions from licensing, see factsheet 49, *Vehicle licensing*.

What should I do if the vehicle's registration has been cancelled?

If a vehicle has been unlicensed for more than 12 months, its registration will usually have been cancelled. (Tractors, trailers and a few other vehicle types have 24 months before the registration is cancelled.)

If you have bought a vehicle with a cancelled registration and you want to use it on the road, you need to take several steps first, including inspection, certification, reregistration, licensing and the issuing of plates and labels. (See factsheet 9, *Reregistration*, for more information.)

The information in this factsheet is a general guide only. It is not the source of the law and should not be used in place of authoritative legal documents. Some factsheets are updated frequently and print versions can quickly become out of date. If the currency of the information you are reading is important, check the factsheet index on our website (www.nzta.govt.nz/factsheets) or call us on 0800 108 809.

Contact details

- Call our contact centre: 0800 108 809.
- Visit our website: www.nzta.govt.nz.
- Email us: info@nzta.govt.nz.
- Write to us: NZ Transport Agency, Private Bag 11777, Palmerston North 4442.