

## SOUTH CAROLINA LEMON LAW SUMMARY

EXECUTIVE SUMMARY	
<b>TIME PERIOD FOR FILING CLAIMS</b>	Three years following original delivery to the consumer.
<b>ELIGIBLE VEHICLE</b>	<p>(1) Private passenger motor vehicle sold and registered in South Carolina and that is (a) a motor vehicle designed, used, and maintained for the transportation of ten or fewer persons; or (b) a truck having an empty weight of 9,000 pounds or less and a gross weight of 11,000 pounds or less.</p> <p>(2) Two-wheel and three-wheel motorcycle sold and registered in South Carolina.</p> <p>Excludes motor-driven cycles, the living portion of recreational vehicles, and off-road vehicles.</p>
<b>ELIGIBLE CONSUMER</b>	(1) The <b>purchaser</b> , including a <b>lessor</b> , for purposes other than resale, of a motor vehicle normally used for personal, family, or household purposes, and subject to the manufacturer's express warranty; and (2) any other person entitled by the warranty to enforce its obligations.
<b>TIME PERIOD FOR FIRST OCCURRENCE OR NOTICE</b>	Earlier of twelve months following purchase or the first 12,000 miles.
<b>TIME PERIOD FOR REASONABLE NUMBER OF ATTEMPTS TO REPAIR</b>	Within the term of the express warranties
<b>PRESUMPTION OR DEFINITION</b>	<b>Presumption:</b> during the express warranty term, either (1) three or more repair attempts or (2) out of service for 30 or more calendar days.
<b>NOTICE TO MANUFACTURER</b>	Before filing a claim, written notice by registered, certified or express mail if manufacturer informed consumer of this requirement.
<b>FINAL OPPORTUNITY TO REPAIR</b>	Manufacturer must contact consumer within 10 business days after receiving consumer's notice; repair within 10 business days after delivery of vehicle to repair facility.
<b>REASONABLE ALLOWANCE</b>	Refund only: miles before nonconformity first reported, divided by 120,000 and multiplied by full purchase price.
<b>DISPUTE RESOLUTION</b>	If manufacturer has an informal dispute settlement procedure that complies with 16 C.F.R. Part 703, then refund or replacement does not apply unless the consumer has first resorted to the procedure. State-operated arbitration program for manufacturers not offering a complying program.
<b>DISCLOSURE TO SUBSEQUENT PURCHASER</b>	Yes.
<b>TITLE BRANDING</b>	No.

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1. <b>Citation</b>	South Carolina Code Ann. §§ 56-28-10 through 56-28-110.
2. <b>Motor vehicle covered</b>	Covers a “motor vehicle” sold and registered in the state. “Motor vehicle” means a private passenger motor vehicle that is: (1) A motor vehicle designed, used, and maintained for the transportation of ten or fewer persons; or (2) A truck having an empty weight of 9,000 pounds or less and a gross weight of 11,000 pounds or less.  Also covers a two-wheel or three-wheel motorcycle sold and registered in South Carolina.  Excludes motor-driven cycles, the living portion of recreational vehicles, and off-road vehicles.  “New motor vehicle” is a private passenger motor vehicle that has been sold to a new motor vehicle dealer by a manufacturer and that has not been used for other than demonstration purposes and on which the original title has not been issued from the new motor vehicle dealer.
3. <b>Consumer covered</b>	(1) The purchaser, including a lessor, for purposes other than resale, of a motor vehicle normally used for personal, family, or household purposes, and subject to the manufacturer’s express warranty; and (2) Any other person entitled by the warranty to enforce its obligations.
4. <b>Nonconformity defined</b>	A defect or condition that substantially impairs the use, value or safety of the motor vehicle. This does not include a defect or condition that results from an accident, modification, or alteration of the motor vehicle by persons other than the manufacturer or its authorized service agent.
5. <b>Warranty defined</b>	“Manufacturer’s express warranty” or “warranty” means the written warranty, so labeled, of the manufacturer of a new motor vehicle, including any terms or conditions precedent to the enforcement of obligations under that warranty.
6. <b>Lemon law rights period</b>	Not defined.
7. <b>Manufacturer’s obligation to repair</b>	If a new motor vehicle does not conform to all applicable express warranties within the first twelve months of purchase or the first 12,000 miles of operation, whichever comes first, and the consumer reports the nonconformity to the manufacturer or its agent during the term of the express warranties, then the manufacturer or its agent must make the necessary repairs to conform the vehicle to the express warranties. The necessary repairs must be made even after the expiration of the term of the express warranty.
8. <b>Manufacturer’s obligation to repurchase or replace</b>	If the manufacturer, its agents or authorized dealers are unable to conform the motor vehicle to the express warranty by repairing or correcting any nonconformity after a <i>reasonable number of attempts</i> within the term of the express warranties, the manufacturer, at its option, must either replace or repurchase the motor vehicle.
9. <b>Criteria for reasonable number of repair attempts</b>	Presumed if, within the express warranty term, either of the following occurs: (1) The same nonconformity has been subject to repair three or more times by the manufacturer or its agents, but the nonconformity continues to exist; or (2) The motor vehicle is out of service by reason of repair for a cumulative total of 30 or more calendar days.
10. <b>Notice of nonconformity and final opportunity to repair</b>	Before filing a claim under the lemon law, the consumer or a representative must notify the manufacturer in writing, by registered, certified or express mail, of the need for repair of the nonconformity, in order to allow the manufacturer a final opportunity to cure the alleged defect. This notice requirement does not apply unless the manufacturer has clearly and prominently informed the consumer, at the time of sale, that written notification of the nonconformity is required.

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	The manufacturer has ten business days to notify consumer of a reasonably accessible repair facility of a franchised new vehicle dealer to conform the motor vehicle to the express warranty. After the motor vehicle is delivered to an authorized repair facility by the consumer, the manufacturer has up to ten business days to repair the motor vehicle so that it conforms to the express warranty.
<b>11. Affirmative defenses</b>	“Nonconformity” does not include a defect or condition that results from an accident, modification, or alteration of the motor vehicle by persons other than the manufacturer or its authorized service agent.
<b>12. Refund</b>	Refund consists of: (1) The full purchase price as delivered; and (2) Applicable finance charges, sales taxes, license and registration fees and similar government charges; (3) Less a reasonable allowance for the consumer’s use of the motor vehicle.
<b>13. Replacement</b>	Replacement is a comparable motor vehicle.
<b>14. Reasonable allowance</b>	Applies to a refund only. A reasonable allowance for the consumer’s use of the motor vehicle is that amount directly attributable to use by the consumer before the first report of the nonconformity to the manufacturer, its agent or dealer. The reasonable allowance must be calculated in accordance with the following formula:  $\frac{\text{number of miles that the motor vehicle traveled before the nonconformity is first reported to the manufacturer, agent, or dealer}}{120,000} \times \text{full purchase price}$
<b>15. Refund of sales tax</b>	Manufacturer refunds sales tax to the consumer. No provision for the manufacturer to obtain a refund of sales tax from the state.
<b>16. Enhanced damages</b>	Not specified.
<b>17. Attorney’s fees</b>	A consumer who finally prevails in any action brought under the lemon law may be allowed by the court to recover aggregate costs and expenses (including attorney’s fees based on actual time expended), and other such costs that are directly attributable to the nonconformity of the motor vehicle determined by the court to have been reasonably incurred for or in connection with the commencement and prosecution of the action – unless the court in its discretion determines that such an award of attorney’s fees would be inappropriate.
<b>18. Statute of limitations</b>	An action must be commenced within three years following the date of the motor vehicle’s original delivery to the consumer.
<b>19. Manufacturer-sponsored arbitration</b>	If the manufacturer has established an informal dispute settlement procedure that complies with 16 C.F.R. Part 703, or if the manufacturer participates in a consumer-industry appeals, arbitration or mediation panel or board whose decisions are binding on the manufacturer, then the provisions requiring refund or replacement do not apply unless the consumer has first resorted to one of these procedures.
<b>20. State-sponsored arbitration</b>	The Department of Consumer Affairs may establish a state arbitration board to review matters involving manufacturers that have not created an informal dispute settlement procedure that complies with 16 C.F.R. Part 703.
<b>21. Dealer liability</b>	Nothing in the lemon law imposes any liability on a motor vehicle dealer or creates a cause of action by a consumer against a motor vehicle dealer. The manufacturer may not charge back or require reimbursement by the dealer for any costs, including but not limited to any refunds or vehicle replacements incurred by the manufacturer arising out of the lemon law in the absence of evidence that the related repairs had been carried out by the dealer in a manner substantially inconsistent with the manufacturer’s instructions.

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<p><b>22. Restrictions on resale of returned vehicles</b></p>	<p><b>Lemon Law</b></p> <p>Any vehicle required to be repurchased by a manufacturer under the lemon law or any law relating to motor vehicle warranties may not be resold, reassigned, or retransferred, either at wholesale or retail in South Carolina, unless:</p> <ol style="list-style-type: none"> <li>(1) The manufacturer notifies the Department of Consumer Affairs within 30 calendar days in writing of the VIN of that motor vehicle, the reason that the vehicle was repurchased, and a statement that all necessary repairs and adjustment have been made and that the vehicle meets acceptable operating standards;</li> <li>(2) The manufacturer provides a written warranty to the subsequent retail purchaser covering the vehicle for 12 months or 12,000 miles and expressly include any component related to the manufacturer's decision to repurchase the vehicle;</li> <li>(3) The manufacturer discloses to any dealer or other wholesale purchaser of the fact that the vehicle was required to be repurchased under the lemon law or other law relating to motor vehicle warranties.</li> </ol> <p>Every subsequent purchaser must be notified by the seller of the fact that the vehicle was required to be repurchased under the lemon law or any other law relating to motor vehicle warranties. Failure to notify properly any purchaser subjects the seller to an administrative penalty up to a maximum of \$500 for each vehicle.</p> <p><b>Regulations</b></p> <p>Between January 1 and January 31 of each year each manufacturer of new motor vehicles sold in South Carolina must provide a report containing a written summary of all vehicles repurchased or replaced under the lemon law. These reports shall contain at least the name and address of the customer, the make, model, colors, vehicle identification number, and sales price of the motor vehicle, as well as a short description of the nonconformity or nonconformities complained of by the customer.</p> <p>Upon request of the Administrator, the manufacturer must make available for inspection any paperwork, reports or other information regarding automobiles repaired or replaced or otherwise subject to the lemon law. Such information will include:</p> <ol style="list-style-type: none"> <li>(1) Repair orders or repair date logs;</li> <li>(2) Parts receipts or invoices;</li> <li>(3) Retail installment contracts;</li> <li>(4) Written or electronic documentation of diagnostic testing;</li> <li>(5) Reports of customers or regional representatives;</li> <li>(6) Parts themselves that have been retained.</li> </ol> <p>Upon a manufacturer's failure to provide the required reports or to fully respond to a reasonable request for information, the Administrator may fine the manufacturer a penalty of up to \$1,000.00 for each failure. Each day in which the manufacturer is shown to have failed to comply will be deemed a separate violation.</p>
<p><b>23. Point of sale notice of lemon law rights</b></p>	<p>The manufacturer must provide information regarding consumer complaint remedies with each new vehicle.</p>
<p><b>24. Limitation on waiver</b></p>	<p>Any provision in any agreement between the manufacturer or its agent or authorized dealer and the buyer that provides that the buyer agrees to waive or forego any rights or remedies afforded by the lemon law is void.</p>

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