

There are rules about getting your deposit back

In law, a deposit shows that you intend to go ahead with the vehicle purchase. If you decide not to buy the vehicle, you risk losing the deposit. There are different rules about deposit return for purchases, leases, and distance sales. For more information about deposits, see this [Deposit Fact Sheet](#).

Deposits for Purchases

If **you** decide not to purchase the vehicle the deposit is only returned if the written agreement says it is refundable or if the dealer cannot deliver the vehicle on the terms that you and the dealer agreed to when you paid the deposit.

Deposits for Leases

In most cases, the dealer will keep your deposit if you decide to end a lease. If you signed a lease and did not take the vehicle though, you can cancel. You must cancel within one full business day from the time you signed. In this case, your deposit will be returned.

Deposits for Distance Sales

A “distance sale” is where you buy without seeing or inspecting the vehicle. Examples of a distance sale include buying a vehicle by phone or over the internet.

There are many cases when you have the right to cancel a distance sale for a vehicle and have the deposit returned. These include if:

- The electronic form contract was not available before you entered the contract. You may cancel within 7 days after receiving a copy of the contract.
- The contract does not contain information required by law. You may cancel within 7 days after receiving a copy.
- The dealer fails to provide a contract within 15 days. You have the next 15 days to give notice of cancellation.
- The vehicle is not delivered within 30 days of the agreed delivery date. You may cancel at any time after those 30 days, if the vehicle has not been delivered.
- There is no specified supply date, and the vehicle has not been delivered within 30 days of the contract. You may cancel after those 30 days if the vehicle has not been delivered.

To be a legal agreement, the vehicle purchase contract must include certain details. These details include vehicle description, price, and the delivery terms. It must also include any cancellation, return, exchange, and refund policies. For distance sales contracts, you must be able to review, revise, and print the agreement. You have the right to accept or reject the agreement.

If you cancel the agreement for any of the above reasons, the dealer must return your deposit.

For more information about distance sales contracts, see this [Distance Sales Fact Sheet](#).

Dealers may try to keep a deposit as a fee for service. Fee for service means paying money to the dealer to do something for you. The difference between a deposit and fee for service is the key to its return.

Fees for Service

A written deposit agreement must be clear if a financial payment is for fees for service or to be used as a deposit. Fees for service means things like:

- Holding the vehicle for some time
- Bringing the vehicle in from another dealer
- Bringing the vehicle in from the manufacturer
- Arranging financing for a vehicle

If you decide not to purchase the vehicle, the dealer can keep a non-refundable deposit and fees for service. If you are not able to purchase the vehicle because the dealer cannot deliver on its promises, the dealer must return the deposit and cannot charge fees for service.

If there is no written deposit agreement and you decide not to purchase the vehicle, the dealer may keep the deposit. If you are not able to purchase the vehicle because the dealer cannot deliver on its promises, the dealer must return the deposit and cannot charge fees for service.