

USED CAR SELLING GUIDE

Everything you need to know
before you sell your used vehicle



WHO IS CARFAX CANADA?

CARFAX Canada is Canada's definitive source of automotive information, delivering vehicle history, appraisal and valuation data. Drawing on billions of records from thousands of unique sources, its products enable used vehicle buyers and sellers to make informed decisions.

When you're selling a used car, CARFAX Canada helps you show potential buyers that you're honest and have nothing to hide.

What does CARFAX Canada tell you?

CARFAX Canada provides relevant and important information about a vehicle (to the extent such information is available to CARFAX Canada), including:

- Whether the vehicle was in any reported accidents
- Where the vehicle has been registered and what the vehicle branding is in those jurisdictions
- Whether the vehicle was imported into Canada from the U.S.
- Depending on the type of CARFAX Canada report purchased, information about liens registered against the vehicle in certain provinces and/or territories in Canada
- How much the vehicle is worth
- Odometer records and more

Visit www.carfax.ca for more tips and information to help you navigate the used car buying process and beyond! From advice on how to sell your vehicle to ways to prep your car for a road trip, CARFAX Canada is a resource you can count on throughout your vehicle's lifetime.

You can also find us on:



TABLE OF CONTENTS

- Should You Trade in Your Car or Sell it Privately? 2
- How Much Should I Charge for My Used Car? 3
- Preparing Your Used Car for Sale 4
- How to Get a CARFAX Canada Vehicle History Report..... 6
- How to List a Vehicle for Sale Online..... 7
- How to Sell Your Car with Great Photos 9
- Questions to Expect From a Buyer..... 11
- How to Negotiate the Sale..... 13
- How to Take a Buyer for a Test Drive..... 14
- What Type of Payment Should You Accept for Your Used Car? 15
- Finalizing The Sale 16

All information provided in this guide is for information purposes only. CARFAX Canada is not responsible for, and expressly disclaims all liability for, damages of any kind arising out of use, reference to, or reliance on any information contained within the guide.



SHOULD YOU TRADE IN YOUR CAR OR SELL IT PRIVATELY?

When you're selling your used car, one thing you need to decide on is who you want to sell it to. Do you want to trade your car in to a dealership or sell it privately?

Your answer could depend on how much time and effort you want to put into making the sale. If you take it to a dealership for a trade-in, they may offer you less than you feel the vehicle is worth, especially if they have to put money into the car in order to sell it and make a profit. The benefit of going through a dealer is that it's an easy sale and you'll get money for the vehicle right away.

If you decide to sell your vehicle privately, then it's your responsibility to store and market your car, comply with any provincial requirements, as well as meet and negotiate with buyers. You may get more for your vehicle through a private sale, but it could also take longer to make the sale.

DID YOU KNOW?

CARFAX Canada has partnered with every major used car listing site in Canada, so sellers can include CARFAX Canada Vehicle History Reports in their vehicle listings. You can view the CARFAX Canada report for free whenever a seller has posted a report.



HOW MUCH SHOULD I CHARGE FOR MY USED CAR?

If you've decided to sell your car, the big question you're likely faced with is, how much should I charge? Setting a competitive listing price is key to a smooth transaction – price too high and car shoppers will scroll right by. Price too low and you lose potential profits. **Trust CARFAX Canada True Value™ to help you price just right.**

▶ WHAT TO CONSIDER

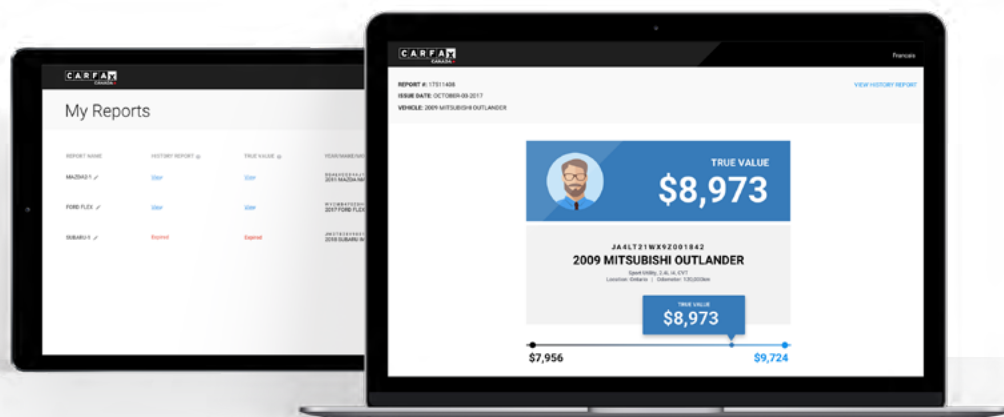
The value of your car depends heavily on the condition of the car and what's happened to it over its lifespan. You need to take into account these factors:

- Age of the car
- Mileage
- Wear and tear, inside and out
- How well it was cared for and maintained
- Any flaws or mechanical issues
- The vehicle's accessories and added features
- Recent updates made to the car
- How quickly you need to sell the vehicle

▶ CARFAX CANADA TRUE VALUE

CARFAX Canada True Value is an accurate used car value calculator based on prices that similar vehicles actually sold for, (as opposed to what they are listed for), adjusted to consider the vehicle's specific history (which could include damage).

Most book values don't account for sold prices or vehicle history. CARFAX Canada True Value considers factors that are unique to your vehicle – which could include things like odometer readings and damage history, plus how much similar vehicles actually sold for, rather than what they listed for. Get it free with every vehicle history report purchased.



PREPARING YOUR USED CAR FOR SALE



When you're selling your used car, you want your vehicle to stand out to potential buyers. You only get one chance at a great first impression and sometimes the tiniest detail can cause the sale to fall through.

1

Fix the little details

- Repair visible flaws like broken taillights, windshield chips and dents.
- Replace burnt out interior lights, put on new wiper blades and make sure all your accessories and options are in working order.
- Consider making any other small repairs that could make a difference to a buyer.

2

Visit your mechanic

- Take your vehicle for a quick inspection before you hang up the "For Sale" sign.
- Get the mechanic to give your vehicle a good tune-up, checking your fluids and filters to see if they need to be topped up or changed. It's also a good idea to check your brakes, hoses, belts and tire pressure.
- Eliminate any warning lights. Did you forget to reset your oil change indicator or does your 'check engine' light always come on? Talk to your mechanic to see how you can resolve this.
- If you discover serious problems then you'll want to weigh out the cost and benefits of fixing them – will it help you make the sale or does it make more sense to leave it as is?
- For any issues you opt not to have fixed, get your mechanic to give you an estimate so you can pass this information along to potential buyers.

3

Gather your records

- Compile your service or maintenance records – if you typically do the oil changes and tune-ups then be prepared to tell shoppers how often you serviced the vehicle.
- Put together notes on how you used the vehicle including your highway and city driving usage and the amount of mileage you put on annually.
- Make sure you have the owner's manual handy along with extra keys.

4**Clean the vehicle inside and out**

- Take your vehicle to the car wash and give the exterior a deep clean. Don't leave any area untouched – scrub the wheel wells and get under the door handles.
- Use an engine cleaner or degreaser to clean things up under the hood too.
- Grab a vacuum and get under and in between the seats, clean out the cupholders and clear out the glove box. Wipe around all the knobs, switches and the gearshift, and give the dashboard a good wash. Don't forget to clean all the windows on the inside as well.
- A lingering odour in your car could turn off a prospective buyer. Avoid the traditional tree-shaped car freshener but consider using an odour eliminator or a light, fresh scent to give your car a pleasant new aroma.
- If you don't have time to give the vehicle a good long clean, you can take your car to a professional detailer so they can get the job done.

5**Show your CARFAX Canada report**

When you post your car for sale online, make sure your listings have the information customers are looking for. This includes information about the vehicle's history. Share the CARFAX Canada history and valuation reports with potential buyers to prove you have nothing to hide.



HOW TO GET A CARFAX CANADA VEHICLE HISTORY REPORT

Every CARFAX Canada Vehicle History Report now comes with the CARFAX Canada True Value™ at no extra charge. Ordering is a simple and easy process that will provide you with important information to help you sell your used car at the best price.

1 Get the vehicle's VIN

You can find the vehicle identification number (VIN) on the driver's side of the vehicle's dashboard, on the inside of the driver's side door or in vehicle documents like the ownership, insurance files or service records.

2 Visit www.carfax.ca and click on our order page

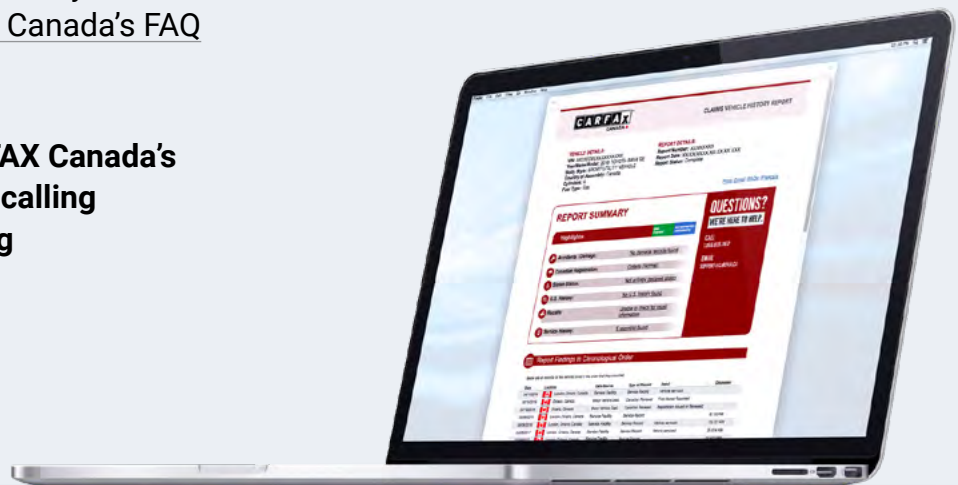
You'll need to have the VIN as well as a valid credit card.

3 Check your inbox

Shortly after your order, you'll be emailed a link to view your reports.

If you have any questions about your report, please visit [CARFAX Canada's FAQ](#) section or [Glossary](#).

You can also contact CARFAX Canada's Customer Service team by calling 1.866.835.8612 or emailing support@carfax.ca.



HOW TO LIST A VEHICLE FOR SALE ONLINE

The internet can be a powerful tool to sell a used car. When people decide to shop for a vehicle, they often start their search online. By posting your vehicle on popular listing sites, you'll showcase your transparency and increase the likelihood that people will see what you have to offer.

► WRITE THE PERFECT AD

The nice part about advertising your used car online is that for many sites, you have lots of room for text. That doesn't mean you should just throw up a solid paragraph of facts – you still need to make your ad easy to read and eye-catching.

First and foremost, you should focus on your title. It should contain the year, make, price and model. If there's something special you want to feature, like the fact that the car has recently received a particular upgrade, the title is a great place to include that as well.

Many of the online listing sites run two or three lines of text with each post so that when a user scans through all the used vehicle listings, they can read a little bit about each car before clicking through to learn more about the car. Much like a classified ad,

provide a brief, but detailed overview of the car's features. This is your chance to convince the car shopper to click on your ad instead of all the other competing ads.

If you're using a site that lets you include lots of information, then use bullets or bold text (sparingly) to break up the text and to display the details in a logical format. Once you've described what features and added extras the car is outfitted with, you can then include details that car buyers are typically concerned about – condition, mechanical or cosmetic issues or whether the car has passed safety inspections. Be descriptive and clear, but don't overwhelm the buyer with every little aspect you can think of. You only get one chance to make a good impression with your ad, so make it count. Check your spelling and give the ad a good read over once you're finished.



► PROVIDE A VISUAL

No matter where you list your vehicle, whether online or offline, always provide a photo. Listings with pictures of the vehicle attract more attention as it gives the car shopper a better idea of what you're selling.

► PRICE IT RIGHT

Set a competitive asking price with help from CARFAX Canada True Value™. Pricing your vehicle based on what others are listing for online could set you up for disappointment as a vehicle's asking price is not always what it sells for. Make your listings stand out with a realistic asking price that considers the vehicle's unique history, plus what similar vehicles have actually sold for in your area.

► DON'T FORGET THE CARFAX CANADA VEHICLE HISTORY REPORT

Last but not least, remember to include the CARFAX Canada report in your online listing. CARFAX Canada works with every major listing site in Canada, so that when a potential buyer views your listing, they can either look at the report you've provided, or order a report based on that vehicle's VIN. A CARFAX Canada report is filled with valuable information and offering it to shoppers can work to answer a lot of questions, and establish you as a seller they can trust who is being fully transparent with them. When a consumer has access to the CARFAX Canada report online, they'll instantly know the full history behind the car and are more likely to contact you about purchasing it.

For the listing sites that don't provide a method of automatically posting the report, you can include the URL to that vehicle's CARFAX Canada report in your listing. That way, all the customer has to do is click on the link for instant access to the vehicle's full history.

PROTECT YOURSELF!

Limit the amount of personal information you post in your ad. You may want to consider setting up a temporary email and phone number to conduct the sale. When you take photos of your car, obscure anything that might give away details like your house number or licence plate number.



HOW TO SELL YOUR CAR WITH GREAT PHOTOS

Whether you're trying to sell your car online or you're placing a classified ad in the newspaper, a picture really can say a thousand words about your vehicle. Listings that feature a photo get noticed more and give the potential buyer a better idea of the kind of car you're offering.

Here are tips to help you take great quality photos of your car:

Appearance is everything

- Make sure your vehicle is in tip-top shape when it comes time to photograph it.
- Clean the exterior and interior and remove any bumper stickers or personal touches you've added.
- For your own safety, obscure anything that might give away details like your house number or licence plate number.

Location, location, location

- Be prepared to move your car in order to find a good background for your photos. You don't want distracting clutter in the photo.
- Beware of trees and signs in the distance that look like they are growing out of your car.

Light up a great shot

- The best time to take a picture of your car is in the early morning or late evening, when the sun is low and provides a warm glow. A cloudy day also works great.
- Avoid harsh shadows and a bright glare in order to get the best picture.
- If you have no choice but to take the pictures on a bright sunny day, then position the car to minimize deep shadows or glare. Take the pictures from the sunny side of the car and not the side that's in the shadows. Set your camera to force the flash so you can use the flash to add light to the dark areas and minimize glare. You'll want to use the same flash setting to take photos of the inside of the car as well.



Take a variety of shots

- There are several typical shots people have become accustomed to seeing when they are shopping for a used car. The most common is a photo from the front side (either right or left) that gives a good look at both the front and the side of the car.
- Other shots include: the front of the car, both side profiles, the rear, the front interior, the rear interior, a shot of the odometer reading, the trunk and a rear three-quarter shot of the back and side of the car.
- Use a digital camera with a good-sized memory card so you can snap plenty of photos. By taking lots of pictures, you will increase the likelihood of getting great shots.
- Set your camera to the highest resolution and quality setting. This will capture your car in greatest detail and will allow you to crop the photo later if needed.

Move around the vehicle

- Don't make the mistake of taking photos too close to the car. This could distort a certain aspect and make it look bigger than it actually is. Instead, back up and use your zoom to get in close to the car if needed.
- Give the buyer an actual representation of the car by kneeling so the photos are eye level to the vehicle.

Keep your photos accurate

- You might want to edit out distracting elements (parking lot lines or people walking by in the background) but don't do anything to touch up the car or cover up flaws. Anything you try to hide will eventually be revealed when the buyer comes to see the car.

Be ready to email

- If you can only add one or two pictures to the listing, a buyer might request to see more photos via email. You'll want to resize the photos (you can do this online on a variety of websites) so you don't overload that person's inbox.



QUESTIONS TO EXPECT FROM A BUYER

You've put together a great ad about the used car you have for sale and now you're ready to field calls and emails from interested buyers. It's important that you prepare yourself for the questions they might ask.

Here are some questions you can expect:

1 Why are you selling the car?

The buyer will want to know if there's an issue with the car as perhaps this is the reason you're selling. Let them know what's influencing your decision – maybe you need a bigger (or smaller) vehicle to suit your lifestyle or better gas mileage to commute to a new job. If you are trying to offload it because of a mechanical or cosmetic problem, you might as well reveal this now because they'll find out eventually.

2 How long have you owned the car?

By asking this question, the buyer is hoping to get information on the car's background. Have as much detail ready as possible, including receipts or documents for maintenance, etc.

3 Where did you buy the vehicle from?

The buyer will want to know if you're the original owner or if you have any information on the previous owners.

4 What's the condition of the car?

Be honest in your description – if you mislead the buyer, you'll just waste your time and their time when they come to see it.

5 Can you describe the vehicle's appearance or features?

Have a list of all the features that the vehicle is equipped with. Writing them down ahead of time will prevent you from forgetting anything when you're put on the spot.



- 6 How much mileage is on the car?**
This one's pretty straightforward – again, give the caller an accurate reading down to the kilometer.
- 7 Can I see the VIN, the vehicle ownership and your identification?**
The buyer will want to see this information to confirm that you are in fact the legal owner and to double check that the registration information matches with the car's VIN. When you show them the CARFAX Canada, they will want to verify this information with the report as well.
- 8 Has anything on the car been replaced or updated?**
Updates can add more value to the vehicle because that's one less thing they'll need to do. If you have receipts for any added features or new parts, show them to the buyer to verify the changes.
- 9 Has the car been in any accidents?**
If the vehicle has been involved in a run-in, then you need to let the buyer know. This is your chance to disclose how minor or how major the accident was and whether or not the car was fixed. For many buyers, as long as the vehicle was repaired properly, past incidents are not deal-breakers.
- 10 Are there any mechanical problems I need to know about?**
Share with the buyer any quirks or problems that could come up down the road.
- 11 How long of a test drive can I take?**
The potential buyer will want to get a real feel for vehicle, so expect that the test drive will take up to 30 minutes.
- 12 Can I take the car for an independent inspection?**
Be prepared to allow the buyer to take the car to a mechanic for a pre-purchase inspection (at the buyer's expense) before you close the sale. You'll want to accompany them to the garage as you are still the owner of the vehicle and the insurance is in your name.
- 13 Can we fix this problem before purchase?**
If the car does have a mechanical or a cosmetic problem, the buyer may ask you to fix it before buying. You'll want to weigh out the pros and cons of doing this – is it an expensive fix that you can't afford to cover? Can you reduce the price of the car to account for the issue and pass on the cost of fixing it to the buyer? You'll want to negotiate a deal that works for both you and the buyer.

HOW TO NEGOTIATE THE SALE

Print

these steps and review them before you meet with a potential buyer.



1

Do your research

A competitive asking price is key to getting the most for your used car, and the first step is knowing what the vehicle is really worth. A vehicle's history impacts its value, so use the car value calculator that's based on numbers that matter – what comparable vehicles actually sold for nearby, adjusted to consider that vehicle's unique history. [Calculate car value.](#)

2

Get the CARFAX Canada report

A CARFAX Canada Vehicle History Report will confirm what's happened in the vehicle's past, which may include any damage records. If the vehicle has been in an accident, then the report allows you to be transparent and gives you the chance to explain exactly what was repaired and/or fixed.

3

Determine your walk away price

Before you start to talk with potential buyers, decide on the lowest price you're willing to accept.

4

List your selling points

When it comes time to meet with a buyer, know what areas of the car you want to bring to their attention. You might want to highlight the low mileage, the options inside or the new tires you put on – think about what adds value to the car.

5

Have confidence in your price

If you priced your car with help from CARFAX Canada True Value™, you can be confident about the price because it considers the vehicle's unique history, plus what similar vehicles have actually sold for in your area.

6

Check your emotions

When you're bartering back and forth with the buyer, don't get angry, pushy or arrogant and take caution if you find the other person acting this way. Be respectful and keep in mind that the goal of the negotiating process is to find a fair price that both you and the buyer can be happy with.

7

Don't rush the decision

If the buyer makes a counteroffer and you'd like to think about it, that's OK – you don't want to rush this decision. However, know that the buyer may have other potential cars in mind and you could risk losing the sale if you wait.

8

Re-evaluate if needed

If you can't find a buyer and your vehicle has been on the market longer than you were hoping, you might want to re-evaluate your strategy. If you aren't getting any interest, maybe you need to rework your ads to make your vehicle more appealing. If your price is scaring everyone away, perhaps you should come down a little so it's more in line with the market.

HOW TO TAKE A BUYER FOR A TEST DRIVE

One of the most important aspects of buying a car is taking it for a test drive. This is when the potential buyer gets a real feel for the vehicle.

Here are tips to help the test drive go smoothly and safely:

Check with your insurance company to make sure your vehicle is covered when other people are driving.

Talk with the potential buyer ahead of time on the phone prior to the test drive and ask for as much information about them as you can. You may want to 'Google' their information to see if any red flags pop up. If the buyer is hesitant to provide their name and contact information, this could be a warning sign that you should walk away from this sale.

Ask to see the potential buyer's licence and make a copy of it or jot down the details along with the licence plate of the buyer's vehicle.

Meet with the buyer in a public place, like a coffee shop or business, ideally with video surveillance. As the seller, choose the location and don't let the buyer dictate the meeting place. Don't go alone and let someone else know where you're going and when you'll return home.

Plan out a good test drive route beforehand so you can suggest it to the buyer. Pick roads that will allow the buyer to try out both city and highway driving so they can see how the vehicle performs under different conditions. You should expect that the buyer will want to spend at least 30 minutes on a test drive.

Accompany the buyer during the test drive for your own peace of mind. Bring a friend or family member and make sure you have a cell phone with you at all times. Riding alongside the buyer allows you to keep a watchful eye on your vehicle and it gives you the opportunity to talk about your car's strengths and highlights.

If you can't go along for the test drive, restrict the driver to just 15 minutes and exchange cell phone numbers. You might ask them to leave a valuable item with you as a sign of good faith while they're out on the test drive.

Schedule the test drive for during the day if possible. You'll likely feel more comfortable during the daytime and it'll be better for the driver if they're travelling in an unfamiliar car on unfamiliar roads.

Take out any valuables from your car to avoid temptation. It's easy for buyers to steal something when you're not looking.

WHAT TYPE OF PAYMENT SHOULD YOU ACCEPT FOR YOUR USED CAR?

You and your buyer have finally struck a deal for your used car but now you're wondering, what form of payment should you accept in exchange for your car?

The best and most secure form of payment is to accept cash or a bank draft in person. You should avoid personal cheques or wire transfers as these forms of payment are more susceptible to fraud.



FINALIZING THE SALE



Everything you need to know - by province

| | |
|--------------------------------|----|
| British Columbia..... | 17 |
| Alberta | 17 |
| Saskatchewan..... | 18 |
| Manitoba..... | 18 |
| Ontario | 19 |
| Quebec..... | 19 |
| Newfoundland and Labrador..... | 20 |
| Nova Scotia | 20 |
| New Brunswick..... | 21 |
| Prince Edward Island | 21 |
| Nunavut | 21 |
| Northwest Territories..... | 22 |
| Yukon | 22 |

FINALIZING A PRIVATE USED CAR SALE

You've found a buyer that's agreed to buy your used car. Now you're ready to hand over the keys but before you do, you need to officially finalize the sale.

Each province across Canada has different regulations when it comes to transferring ownership. We've compiled the steps and information that you need to know, as well as provided links to the appropriate websites. When in doubt, it's always best to contact your provincial government to make sure you and the buyer have covered your bases.

► BRITISH COLUMBIA

In order to transfer the ownership of a used vehicle in British Columbia, the seller must pick up a Transfer/Tax Form from an Autoplan broker.

To prepare the car for sale, the seller should remove the licence plates from the vehicle as well as the insurance and registration, tearing off the vehicle registration portion and signing this portion.

The buyer receives the signed registration and gives payment to the seller. Once the seller is paid, both parties can fill out the Transfer/Tax Form. It's recommended that the seller and the buyer go together to take the registration and the Transfer/Tax form to an Autoplan broker. At this point, the buyer can register the vehicle, licence it and insure it all at the same time.

If the buyer and seller don't switch the registration of the vehicle right away, the buyer can drive the newly purchased vehicle with their old plates for up to 10 days from the date of purchase as long as:

- a) The vehicle the buyer is switching plates to is registered in B.C.
- b) The buyer has sold or disposed of the old vehicle.

- c) Both vehicles fall into the same category (ie. passenger vehicles).
- d) The plates are valid B.C. licence plates.
- e) The buyer carries the signed Transfer/Tax Form for the vehicle, the original registration, the still valid insurance papers for the buyer's old vehicle and proof that the buyer sold the old vehicle.

For more information, visit the [Insurance Corporation of British Columbia website](#).

DID YOU KNOW?

CARFAX Canada shows accident history from every province, including provinces with public insurance.

► ALBERTA

When selling a used vehicle in Alberta, both the buyer and the seller need to fill out a Bill of Sale. This will include the date of the sale, address and identification information about the buyer and seller, the year, make, model and VIN (Vehicle Identification Number), odometer reading, the total price, how it is being paid for and any promises or statements about the vehicle, such as warranties or claims about the condition. Both the buyer and the seller may want to keep a copy of the Bill of Sale for reference purposes.

The seller may require that a buyer leave a deposit. The remainder of the payment is usually in the form of a money order or bank draft. Be aware that signing a sales offer and leaving a deposit represents a commitment to purchase and is legally binding. The seller has the right to keep the deposit if the deal is not completed in order to cover his or her costs. If this is a concern to the buyer, they may want to include in their offer a note that the deposit is fully refundable in the event that the deal doesn't go through.

To register the used vehicle, the buyer will need the proof of ownership (Bill of Sale), a valid Alberta insurance 'pink card' and identification. An inspection certificate from Alberta Transportation is required for all first time Alberta registrations of used vehicles (and used vehicles returning to Alberta that were last registered in another jurisdiction). There are some exceptions so it's always best to check with a Service Alberta registry agent.

If the buyer currently has valid Alberta licence plates, they may transfer them to the new vehicle. They can use their previous plates on the newly purchased vehicle for up to 14 days from the date on the Bill of Sale. During this grace period, the buyer must carry proof of ownership, insurance and valid registration for the licence plate being transferred to the vehicle.

For more information, visit the [Service Alberta website](#). You can also check out the [Alberta Transportation website](#).

► SASKATCHEWAN

In Saskatchewan, all retail sales are final. Unless clearly stated verbally or in writing by a seller, there is no cancellation period for returning a vehicle.

The seller must provide the buyer with the 'Transfer of Ownership' or 'Vehicle Identification Certificate' that's attached to the seller's registration certificate, along with a Bill of Sale.

The buyer can use the licence plates from their original vehicle on a new vehicle for up to seven days when they buy a new or used vehicle in Saskatchewan. Before that time expires, the buyer should take the completed Transfer of Ownership form and the Bill of Sale to a Motor Licence Issuer.

The Motor Licence Issuer will let the buyer know if they are required to pay PST on the vehicle. PST does not apply to the purchase of eligible used light vehicles on which tax has been previously paid in full. The buyer can also determine if PST is payable on a particular vehicle by using Saskatchewan Government Insurance's free online Saskatchewan VIN search.

For more information, visit the [Saskatchewan Government Insurance website](#).

► MANITOBA

In Manitoba, the seller must provide the buyer with a signed Transfer of Ownership Document, a valid Certificate of Inspection (COI) and a Bill of Sale that is signed by both parties and has the year, make, model and VIN (Vehicle Identification Number) as well as the purchase price and the date it was bought.

As the seller, be prepared to show the buyer the vehicle's registration card. The buyer will want to verify that the seller is the legal owner of the vehicle as only this person has the right to sell or dispose of the vehicle.

Most buyers will have to register and insure the newly purchased vehicle with Manitoba Public Insurance (MPI) before driving it. It's best for the buyer to check with MPI before to ensure they have necessary coverage.

If the buyer is purchasing a vehicle that is in a different registration class from their previous car (i.e. they sold their car and they're now buying a truck for their gardening business) then the buyer will need to get new licence plates or a special sticker to put on their licence plates when they're transferring registration and insurance from one vehicle to the other. The class can be found on the front of the Vehicle Registration Card, at the top left. If the vehicle is in a different class, then the buyer must report the change to an Autopac agent before driving in order to receive the new registration and the special sticker.

If the vehicle is in the same registration, the buyer can transfer the licence plates from their currently registered vehicle to their new one. The buyer has seven days after the day they disposed of their old vehicle to register their new replacement car. During this seven day period, the same coverage on the old vehicle will apply to the new one. If this coverage is insufficient, it's best to register the new vehicle immediately.

When a buyer purchases a vehicle privately, the buyer will be charged retail sales tax when they register the vehicle. This tax is based on the fair market value of the vehicle; either the purchase price or the average wholesale price, whichever is greater.

For more information, please visit the [Manitoba Public Insurance website](#).

► ONTARIO

In Ontario, every privately sold vehicle must be accompanied with a Used Vehicle Information Package (UVIP) from the Ontario Ministry of Transportation. This package contains a description of the vehicle, the VIN, year, make and model, retail sales tax requirements, a bill of sale and tips on vehicle safety standards inspections. The seller must show this package to the buyer as it plays a role in finalizing the sale of the vehicle.

The seller has to give the vehicle permit, the completed and signed Application for Transfer (found on the back of the 'vehicle portion' of the registration permit) and the completed Bill of Sale from the UVIP (with their name, signature, date and purchase price) to the buyer.

The seller keeps the licence plate (Ontario uses a plate-to-owner registration system which means they stay with you) and the plate portion of the vehicle registration permit. The seller can then let the Ontario Ministry of Transportation know that the vehicle has sold.

The buyer has to register the used vehicle within six days of the sale. To do so, they have to take the UVIP, the vehicle permit and the Application for Transfer to the Driver and Vehicle Licensing Office. Here, the buyer will pay the retail sales tax, based on the purchase price or the wholesale value (whichever is greater).

The buyer will also pay the licensing fees for the plates and permit. The buyer can attach plates they already own (they need to bring in the plate portion of their vehicle registration permit), and validate them with a sticker or purchase new plates with proof of identity that verifies their legal name, date of birth and signature.

The buyer has to provide proof of insurance and a Safety Standards Certificate if the vehicle is to be plated.

If the vehicle is registered, plated and in the Drive Clean Program, then the buyer has to present the vehicle emissions report. To find out if a vehicle needs an emissions test, a buyer or seller can visit the Ministry of the Environment's Drive Clean website or call 1-888-758-2999.

For more information, please visit the [Ontario Ministry of Transportation website](#).

► QUEBEC

In Quebec, in order to finalize a private vehicle sale, the buyer and seller should sign a contract to make things official. This isn't mandatory, but it's advisable. CAA Quebec provides its members with standard contracts, but Bill of Sale forms can also be found online.

In the Civil Code of Quebec, a term called latent defects is used to define "warranty of quality" when making a sale. This states that when a sale is conducted privately between two people, the seller must declare any latent defects. These are defects that make the property for sale "unfit for the use for which it was intended or which so diminish its usefulness that the buyer would not have bought it or paid so high a price if he had been aware of them." This warranty applies to the property sold as well as accessories. This law also requires that the buyer report a latent defect to the seller in writing within a reasonable amount of time after discovering the defect. The buyer has three years to bring proceedings against the seller if the seller refuses to settle the matter to the buyer's satisfaction.

The Quebec Automobile Insurance Corporation recommends that when conducting a private vehicle sale, both the seller and the buyer go to a Société

de L'Assurance Automobile service outlet where both parties will be required to show identification. If the seller is selling the vehicle but can't make it to a service outlet, they can send someone on their behalf after assigning them Power of Attorney.

When the buyer goes to register the vehicle, they will be responsible for paying Quebec Sales Tax (QST) on the actual purchase price or the book value, as found in Guide Hebdo, less \$500 – whichever is higher. If the vehicle is over 10 years old and can't be found in the Guide Hebdo, then the buyer will pay QST on the purchase price.

For more information, please visit the [CAA Quebec website](#) and the [Quebec Automobile Insurance Corporation website](#).

► NEWFOUNDLAND AND LABRADOR

When selling a used vehicle in Newfoundland and Labrador, both the buyer and the seller need to fill out a Bill of Sale. This must include the date of the sale, the buyer's name and driver's licence number, the year, make and model of the vehicle, the plate number and serial number, the purchase price and the name and signature of the seller. If HST was collected by the seller, then the Bill of Sale will also need to include the seller's HST registration number. A Bill of Sale can be found on the reverse side of the current vehicle registration permit or a separate document can be used. Both the buyer and seller may want to keep a copy for reference purposes.

The seller of a used vehicle is required to notify the Motor Registration Division within 10 days of the sale of a motor vehicle. The seller can find a Notice of Sale on the reverse side of the vehicle registration permit for this purpose. Failure to submit this within 10 days is an offence and the seller could be fined. The seller could also receive traffic fines that should be issued to the new owner or the seller could be financially responsible for an accident if the new owner didn't obtain insurance. The buyer is required to transfer the ownership of the vehicle within 10 days and failure to do this could also result in a fine. When the buyer registers the vehicle with the Newfoundland Motor Registration Division, they'll need the seller's vehicle registration permit (the seller must be the registered owner of the vehicle), a Bill of

Sale and/or a sworn affidavit (a sworn affidavit from the buyer and seller is required when the purchase price of the vehicle is below the wholesale Red Book value, a vehicle valuation guide), a completed and signed insurance declaration (found on the reverse side of the seller's vehicle registration permit) and a motor vehicle safety inspection certificate.

The buyer will be required to pay a transfer fee, provincial sales tax on the purchase price or the Red Book value of the vehicle and any outstanding fines on the buyer's record.

For more information, please visit the [Newfoundland Motor Registration Division website](#).

► NOVA SCOTIA

In Nova Scotia, in order to finalize a private used vehicle sale, the seller must sign the reverse of the Certificate of Registration (Transfer of Ownership). The seller must also fill out the section entitled Transfer of Title Certificate of Sale (Part 1) and give this to the buyer.

In addition to this, the seller has to sign the Notice of Sale portion of the Certificate of Registration and indicate who the vehicle was sold to. The seller should then return the Notice of Sale to the Registry of Motor Vehicles.

When a used vehicle is purchased privately, the vehicle must display a valid Motor Vehicle Inspection issued within 30 days prior to the date of the sale in the name of the seller, showing a two year expiry date for "type 1 vehicle" or a one year expiry for a "type 2 vehicle" from the time of inspection. The Motor Vehicle Inspection can also be obtained by the buyer prior to the transfer. Another option is for the buyer to obtain a letter from the Registry of Motor Vehicles at the time of transfer, providing an additional 10 days to get a valid Motor Vehicle Inspection. If the seller and buyer complete a 'Sale of Vehicle Not Safety Approved' form, a vehicle permit may not be issued until a valid Motor Vehicle Inspection sticker is obtained in the name of the buyer.

Within 30 days of the date of purchase, the buyer must complete an Application for Certificate of Registration (Part 3, found on the Certificate of

Registration from the seller), including the tax declaration in order to register the vehicle. At the time of registration, the buyer is responsible for paying HST (the tax is based on the Red Book value, of the vehicle or the purchase price, whichever is greater), the transfer fee and the registration fee to the Registry of Motor Vehicles.

The plates stay with the seller – they can be re-assigned to a new vehicle or returned to the Registry of Motor Vehicles. The buyer can attach their own plates (as long as they're valid) and the vehicle will be registered to the new owner for up to 30 days from the date of the sale. If it's not registered by the new owner within this time frame, the vehicle's registration will expire until it's re-registered.

If the buyer doesn't have plates to attach, they can obtain a temporary permit from the Registry of Motor Vehicles, which will be valid for up to 30 days.

For more information, please visit the [Service Nova Scotia website](#).

► NEW BRUNSWICK

In New Brunswick, in order to transfer the ownership of a vehicle from a seller to buyer, the seller must sign the back of the Certificate of Registration. The buyer's name, address and date of birth are required on the transfer document and the buyer must present the Certificate of Registration to any issuing office.

In order to register the vehicle in their name, the buyer must present the Certificate of Registration to a New Brunswick licence issuing office. This is the point when the buyer will be required to pay sales tax on the vehicle as well as any other applicable fees. The buyer must refrain from driving the vehicle until the registration certificate is recorded in the new purchaser's name.

For more information, please visit the [New Brunswick Department of Public Safety, Motor Vehicle Branch website](#).

► PRINCE EDWARD ISLAND

In Prince Edward Island, in order to transfer the ownership of a vehicle from the seller to the buyer, the seller must fill out and sign the back of the registration marked vehicle permit. The seller must also complete the Notification of Transfer form on the registration permit and mail it within seven days of the transfer date to the Register of Motor Vehicles in P.E.I.

The buyer has seven days from the date of transfer to change the registration of the vehicle to their name. When doing so, the buyer must present the Vehicle Permit (signed by the previous owner), the Bill of Sale or receipt, the Motor Vehicle Inspection Form (in the present owner's name or buyer's name) and a valid insurance card. P.E.I. requires that all vehicles and trailers undergo an annual inspection, you can find more information on the inspection program here.

The buyer will be charged sales tax based on the Red Book value (a vehicle valuation guide used by Canadian government, dealers, insurers, financial institutions and appraisers), the Bill of Sale or an appraisal, whichever is greater.

For more information, please visit the [Prince Edward Island Department of Transportation and Public Works website](#).

► NUNAVUT

For more information, please visit [Nunavut's Department of Economic Development and Transportation website](#).

► NORTHWEST TERRITORIES

When selling a used vehicle in the Northwest Territories, both the buyer and the seller need to fill out a Bill of Sale. This must include the date of the sale, the buyer's name, the buyer's licence number, the seller's name, the make and model of the vehicle, VIN number, odometer reading, the purchase price, any terms or conditions and the signature of the seller. Both the buyer and seller may want to keep a copy of the Bill of Sale for reference purposes.

The seller must sign the back of the Certificate of Registration and give this to the buyer.

The Bill of Sale (or another document containing the exact same information) must be presented by the buyer to register the vehicle under their name, along with valid insurance for the new vehicle, proof of residency, and the old registration signed by the seller. At this point, the buyer will sign the Bill of Sale.

For more information, please visit the [Northwest Territories Transportation website](#).

► YUKON

In order to privately sell a used vehicle in the Yukon, the buyer and seller must complete, sign, and date a Bill of Sale. This, along with proof of insurance (a faxed copy will suffice) should be presented to a Motor Vehicles office in order to switch the registration over to the buyer's name.

For more information, please visit the [Government of Yukon's Motor Vehicles website](#).

CARFAX Canada's Customer Service team is available Monday through Saturday to help answer any report questions you might have.

support@carfax.ca

1.866.835.8612

[**www.carfax.ca**](http://www.carfax.ca)

