

Car rentals

Fact sheet

Introduction

Car rental agreements usually involve paying to use a vehicle (per day or per week), without the option to buy it. It is important to do your research when renting a vehicle. Make sure you ask questions before signing an agreement. You should compare options and read reviews to make sure they are trustworthy.

Make sure you read all contracts and terms and conditions before signing. This includes agreeing online by ticking the 'I agree to the terms and conditions' box. Car rental contracts will outline all requirements for the rental. This will include insurance and any extra fees or charges that may apply. The contract may also place limits on when and how you can use the vehicle.



It **may** be possible to get extra insurance coverage for a rental car from your own insurer, a motor vehicle association or travel insurance package. If you need to make a claim, you will generally pay the excess to the car rental company. You will then need to claim reimbursement from the insurer.

Some contracts may allow for unlimited charges on your credit card. It is important to check when these charges could happen and how much they might be.

Considerations when choosing a car hire provider

- What is the total cost involved? Does this include rental, the insurance coverage chosen, and all extra charges or fees? Is there a cheaper rate online or somewhere else?
- Check the company is legitimate and trustworthy. Do not enter into any agreements or exchange payment details before checking.
- Are there deposit requirements? Are there any circumstances where I could lose my deposit?
- Are there any gaps in the insurance coverage? Can I use my own insurance or insurance from somewhere else?
- Who can drive the vehicle?
- If I return the vehicle early, can I get a partial refund?
- If I return the vehicle late, will I incur any extra fees or charges?
- If necessary, can I return the vehicle to a different location from pickup point?
- Can the hire company make unauthorised charges to my credit card? When can this happen and what amounts will they charge in each circumstance?
- When will I receive a refund for any costs I am entitled to, i.e. a security deposit?



Before you sign any paperwork upon picking up the vehicle

- Inspect the inside and outside of the vehicle with a representative of the company. Take photos of the vehicle, particularly any pre-existing damages.
- Ensure the representative adds any damage to the contract.
- Test that everything works. Check the lights, indicators, air conditioning, and other electrical or mechanical parts. Make sure there is a full tank of fuel.
- Read and understand what to do if the vehicle breaks down or if you are in an accident.
- Read and understand the terms and conditions of the contract, such as:
 - Time and place to return the vehicle
 - Any fees or charges for failing to return the vehicle with a full tank of fuel
 - Any fees or charges for returning the vehicle late.



What to do when returning your car

- Make sure you've done everything required in the contract, such as refuelling.
- Take photos of the vehicle again at the return location. This ensures you have a record of the condition of the vehicle at the time it was returned.
- Ask the company for a written agreement that you returned it undamaged.
- If you damaged the vehicle during the rental period be sure to make a written agreement. You should do this with the company before leaving the premises. The agreement should explain the costs and steps for fixing the damage.

Further Information

Should you require further information, you can contact us:

- By phone: 1300 654 499; or
- By email: cbos.info@justice.tas.gov.au

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