Buying a Car in the US

Car Hunting
You can buy a used car either from dealers or directly from a private party. Dealers may have made the necessary repairs and/or maintenance on a car before selling it. Typically, it is cheaper to buy from a private party but you also run a higher risk of buying a “lemon” (a car that is bad).

Buying a Used Car
Popular places to find used cars are Craig’s List or the Classified Section of the local newspaper. Contact the seller to get further information before you go see a car. Ask for the VIN (Vehicle Identification Number) when you speak with the owner. Buy a Carfax on-line subscription ($20/month) so that you can check the VIN number. Note: You may want to share the cost of Carfax among several friends who intend to buy a car at the same time you are car-hunting.

Set up a Budget
Keep in mind the expenses of auto insurance, sales tax, title application, vehicle registration, repairs and maintenance, etc. in addition to the sales price. You may compare prices at Kelley Blue Book. If you decide to buy from a private party, find an experienced driver to test-drive the car for you. Also, it is highly recommended that you take the car to an auto mechanic for a “buyer’s check,” which costs $70 – $120 per car-check. If the buyer’s check comes up with major mechanical defects, the mechanic will give you a car report with all the vital details.

Car Titles and Registration
To avoid penalty, transfer the car’s Title within 20 working days from the date of purchase. Take your driver’s license and proof of insurance with you. See the Bexar County Tax Office website for further details.

Auto Insurance
Contact a few insurance agencies. They should give you a FREE price quote. When you compare the price, make sure the insurance coverage is the same. You need both your car VIN number and your driver’s license number in order to buy insurance.

Things to Keep in Mind
- Cars with manual transmission (also called a “standard,” “5-speed,” or “stick shift”) is usually cheaper than ones with automatic transmission. If you are not used to driving a car with manual transmission, you will need to take lessons to learn how to shift gears.
- If you buy a new car, consider the hybrid-engine models, which help to conserve our non-renewable resources and protect the environment.
- Get an overview on used car prices. Very helpful free sites are Edmund’s Automobile Buyer’s Guide and Kelley's Blue Book.
Before making a test drive: Find out if you need liability insurance. In some cases, the current owner's insurance will cover any driver. Many times, however, if you want to drive on public streets, you will need your own liability policy first. If at all possible, have the car inspected by a mechanic before you make any commitment to buying it.

Before buying the car: Get all the information on automobile insurance policies, including liability and comprehensive and collision costs for the vehicle model, make, and year. Get the vehicle identification number. Ask to see the Title ("Certificate of Title") of the car. All the information needed to inquire about insurance for this particular car will appear on the Title. (This will also prove that the person selling you the car is the owner). Important: Make sure that no liens are recorded on the Title. (If money is owed on the car, another name will appear in the space for "lienholder." In addition, the "clear" Title (no debts are held against the car) is blue, and the temporary Title (proof of sole ownership has not yet been issued) is red.

Arrange with the insurance company you have chosen to begin the coverage, especially the liability insurance required by law, before you meet with the seller to finalize the transaction.

When buying the car: Take the amount of money agreed upon and in the form agreed upon (cash, check, etc.) to the pre-arranged site of the sale. Complete the form titled "Bill of Sale and Invoice." Both buyer and seller must sign. It is preferable to have the signatures notarized, but if there is no notary at the site of the sale, it is good idea to take someone with you who can witness the transaction. Complete the form "Application for Texas Certificate of Title." Be sure the instructions are printed on the back of the form. The seller signs on line 22; the buyer signs on line 23. The buyer and seller also sign on the indicated lines on the back of the Title.

After buying the car: Take the Title, "Application for Texas Certificate of Title," and the "Bill of Sale and Invoice" to the Bexar County Tax Office. You will pay a fee and the sales tax on the vehicle (approximately 6.25% of the sales price of the car) to transfer the Title to you, the new owner. The seller need not go to the Tax Office with you. You should receive your Title by mail within 4 to 6 weeks.

Alternatives to buying a car include:

- Hertz on Demand, a car rental program available to international students with international drivers' license. Contact David Tuttle’s office for further information.
- Free TU Shopping Shuttle on-campus to Target and Mall.
- San Antonio VIA Public Transportation
- San Antonio Bike Sharing Program
- ZipCar- a car sharing program