

Loaning your car

It is a good idea to think very carefully before loaning someone your car - lots of things can go wrong. There can be a range of legal consequences for the owner of a vehicle if a crime or traffic offence is committed in the car, or the car is involved in an accident. You can end up in serious trouble or in debt.

If your car is connected to a crime

If you loan your car to somebody and the car is in some way linked to a crime, the first thing that can happen is that police might think you are a suspect in that crime, particularly if you match the description of one of the offenders.

If you deliberately gave someone your vehicle knowing that they intended to use it to commit a crime, you could be charged as an *accessory* to that crime (see Fact Sheet – *'Assisting with the Commission of an Offence'*).

Even if you didn't know about the crime, you are still in a difficult situation. If you are the owner of a vehicle that is involved in a serious crime, and you were not the person driving it, you have a duty in NSW to tell the police the details of the driver *and* the passengers of the vehicle. The only way out of this is if you have a reasonable excuse not to give that information. It is a criminal offence to refuse to disclose their identities and is punishable by up to 12 months imprisonment, a fine of up to %5500, or both. The more serious the crime, the more likely the Police will prosecute for this offence and the greater the penalty.

Parking and speeding infringements

If someone speeds or gets parking tickets in your car, you will be sent the fines as the registered owner of the vehicle.

If you still have contact with the person, you can ask them to fill out a special form – a "statutory declaration" from the RTA - stating that they were the driver. If this happens, the points come off their license not yours.

However, what happens if you don't know the person well or you don't know how to get in touch with them?

If you can't get in touch with them, or they refuse to fill out the form, you might end up having to go to court to defend the matter, losing points off your licence or having to pay the fines.

Unpaid fines

If fines remain unpaid, your license and registration can get cancelled. This raises a number of risks – driving unlicensed means your insurance is invalid. If you get caught, you are automatically suspended from driving for a long time.

Accidents and damage

If someone else has an accident in your car, you can end up in a lot of trouble. For example, if *their* license is cancelled or suspended, then *your* insurance will not cover any accident costs.

Similarly, if they drink-drive and have an accident, your insurance will not cover anything. You could be liable for the costs of the damage to your car, as well as other vehicles or public property. You could even end up liable to be sued for personal injury if someone is injured in a crash.

This Fact Sheet is designed to give you a very basic understanding of how the law works. If you have a legal problem, or want to know how these laws apply to a specific situation, you should speak to a lawyer. If you are under 18, you can call the Legal Aid Youth Hotline 1800 10 18 10.



© 2008 State of New South Wales through Legal Aid NSW

This work may be reproduced and distributed for most purposes, however some restrictions apply.

Oct 2011