Know your rights

Ending vehicle leases early as a servicemember

The Servicemembers Civil Relief Act allows servicemembers and their families to end certain leases in the U.S. early with notice if they receive certain military orders.

As a servicemember, you can end a vehicle lease early, without penalty, if you sign a lease and then later:

a) Enter active duty for at least 180 days, **or**

b) Receive orders for deployment for at least 180 days, **or**

c) Receive orders for a permanent change of station, retirement, or separation, **and:**

- *If you are in a U.S. state or territory outside the continental U.S.* – the orders require moving out of that U.S. state or territory
- *If you are inside the continental U.S.* – the orders require moving out of the continental U.S.

What kinds of leases are covered?

Leases for:

- Personal vehicles,
- Business or commercial vehicles, and
- Vehicles used by a servicemember's spouse or children, if the servicemember is also on the lease.

How to end your vehicle lease early under the SCRA

- Provide the leasing company with (1) written notice terminating your vehicle lease and (2) a copy of your military orders or letter from a commanding officer.
- Return the vehicle no more than 15 days after providing written notice.
- Once those conditions are met, the lender must terminate the lease and can charge you only the prorated cost up to the date you returned the vehicle.

For more information and answers to frequently asked questions, flip the page →

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Frequently Asked Questions

For more information about this and related topics, visit www.servicemembers.gov

How do I provide the leasing company with my notice and orders?
You can deliver your notice and orders by hand, mail, email or similar means. Always save proof that you provided the lease holder with this information.

Are my spouse and dependents covered if they are on the lease?
Yes. If they are on the lease with the servicemember, a servicemember's spouse and dependents can also exit the lease early without penalty.

What if I paid in advance?
The lease holder must refund any money you paid in advance to rent the vehicle after the date the lease ends. If you paid a capitalized cost reduction (CCR) when you signed the lease, you are entitled to a prorated refund of the CCR.

Can they charge me fees?
A lease holder can only impose certain reasonable charges for excess wear or use and mileage, taxes, title and registration, or outstanding traffic tickets. But they cannot charge early termination fees or demand that you repay any concessions you received.

Does the lease need a military clause?
No. The vehicle lease holder must allow you to leave the lease early without penalty if you receive qualifying military orders.

What if I own my car?
Servicemembers have some protections against repossession of their property while on active duty, but you are still responsible for making payments. Visit www.servicemembers.gov for more information about SCRA protections.

Need help?

Servicemembers and their spouses who need legal help should contact their local Armed Forces Legal Assistance office. Find your office at legalassistance.law.af.mil. You can also report an issue to the Servicemembers and Veterans Initiative using our complaint portal at civilrights.justice.gov/report.