



Region Legal Service Office, Mid Atlantic Legal Assistance Department

SCRA: Vehicle Lease Termination

1. The **Servicemembers Civil Relief Act (SCRA)** will allow the termination of motor vehicle leases by a servicemember under the following circumstances:
 - a) If the lease was entered into while the member was not on active duty and the member receives call to duty orders for 180 days or more;
 - b) If the lease was entered into while the member was on active duty for a period of less than 180 days, and that period of duty is extended to 180 days or more;
 - c) If the servicemember receives permanent change of station orders to move from a location in the continental United States to a location outside the continental United States or from a location in a State outside the continental United States to any location outside that State; and/or
 - d) If the servicemember deploys with a military unit or as an individual in support of a military operation for a period of 180 days or more.

2. **Effect on joint leases:** Termination by the servicemember of a joint lease also terminates the lease obligation for spouses and dependents under the lease.

3. **Method of termination:** The servicemember must deliver written notice of his or her intent to terminate along with a copy of the military orders to the dealership or the dealership's agent. Military orders may be official orders or any form of notification from the servicemember's commanding officer. The copy of the orders does not have to be delivered with the notice, but must be delivered prior to termination. Delivery of the notice should be provided with a means of verification. If delivery is by hand, obtain a signed copy indicating the date it was accepted. If delivery is by mail, use certified mail, return receipt requested to verify that the notice was received.

4. **Surrender of vehicle:** The vehicle must be surrendered to the dealership no later than 15 days after the delivery of the notice. The effective date of termination is the date on which the notice, orders, and vehicle have been delivered to the dealership or its agent.

5. **No early termination charge:** Termination of a lease under the SCRA is not early termination but a contract modification under federal law changing the termination date. The law does not allow the dealership to charge an early termination fee. The servicemember is still responsible for damages, taxes, and excess mileage.

This handout is for information purposes only and is not intended to be legal advice. If you need legal advice and assistance you may see legal advice from your Legal Assistance Office. Legal Assistance Offices can be located at <http://legalassistance.law.af.mil/content/locator.php>