



AT THE DEALERSHIP

Dealer Fees Decoded

Every line on the quote has a name. Here's what each one really is, and what to do about it.

A NOTE FROM OUR TEAM

Fees are where a fair price quietly turns into an expensive one. Some are real and unavoidable. Some are negotiable. A few deserve a hard look. We wrote this glossary so you can tell the difference in about ten seconds, right there at the desk.

— The Auto Advocate Team

Every fee on a car deal falls into one of three buckets. **Legitimate** charges are real and usually fixed: verify them, don't fight them. **Negotiable** charges are real but flexible: push on them, or offset them with the price. **Question it** charges may add little or no value for you: ask what they are, whether they're optional, and ask for them to come off.

Legitimate

VERIFY THE AMOUNT

Negotiable

PUSH OR OFFSET WITH PRICE

Question It

ASK, DECLINE, OR REMOVE

1 Government & Manufacturer Charges

FEE	WHAT IT IS	VERDICT	WHAT TO DO
Sales tax	Set by your state and locality. Rules for trade-in credit and rebates vary by state.	Legitimate	Verify the rate and the base it's charged on. Check Service Oklahoma or your state.
Title & registration	State fees the dealer collects and files for you.	Legitimate	The CFPB notes government-set fees aren't negotiable. Confirm the amount matches your state's schedule.
Other state fees	Small state-mandated charges, such as a tire fee in some states.	Legitimate	Ask which agency charges it. A real government fee has one.
Destination charge	The manufacturer's charge for shipping a new vehicle to the dealer.	Legitimate	Edmunds says it's typically not negotiable. Make sure it matches the window sticker and isn't charged twice.

2 Questions to Ask About Any Fee

- ☐ What exactly is this charge for?
- ☐ Is it optional? Can I see that in writing?
- ☐ Does a government agency receive it? Which one?
- ☐ Was it on the written quote you sent me?
- ☐ Do you charge it to every buyer?
- ☐ Will you remove it, or lower the price to offset it?

WATCH OUT

A fee being pre-printed on the buyer's order doesn't make it required or governmental. Pre-printed lines are just the store's form. Compare every line to the written quote you were sent, and ask about anything new before you sign. The FTC suggests checking that the price on your contract matches what the dealer sent you ahead of time.

3 Dealer Fees

FEE	WHAT IT IS	VERDICT	WHAT TO DO
Doc fee	The dealer's charge for preparing paperwork. Edmunds reports a range from under \$100 to nearly \$1,000 depending on the state. A handful of states cap it.	Legitimate, but varies	Most stores charge every buyer the same amount, so negotiate the selling price to offset a high one.
Market adjustment (ADM, "additional dealer markup")	An amount added above MSRP, usually on high-demand models.	Negotiable	Edmunds says it should be entirely negotiable. Get quotes from stores that don't add one.
Advertising fee	A charge to recover the store's or region's advertising costs.	Negotiable	Edmunds says it can be negotiated in many cases. Ask whether every store in your area charges it.
Dealer prep / PDI	A charge for getting the vehicle ready for delivery.	Question it	Edmunds notes it isn't mandatory and can be used to add profit. Ask for it to come off.
Extra freight or shipping	A second shipping charge on top of the destination charge.	Question it	Unless the unit truly came from far away, Edmunds advises questioning it and asking for removal.
Origination, delivery, or "processing" fees	Dealer charges for arranging financing or handing over the car.	Negotiable	The CFPB lists preparation, origination, document, and delivery fees as negotiable.
"Certification" or official-sounding fees	Charges with names that sound required or governmental.	Question it	Ask, "Which agency receives this?" If none does, it's a dealer charge, and you can ask for it to come off.

4 Dealer Add-Ons

Often printed on a second sticker next to the factory window sticker, or listed as "pre-installed." The FTC is direct: **add-ons are not free, and it's okay to say no to them and to ask the price.** The CFPB says optional add-ons are not required and their price is negotiable.

ADD-ON	WHAT IT IS	VERDICT	WHAT TO DO
VIN etching	The VIN etched into the windows as a theft deterrent.	Question it	Edmunds calls it redundant and notes do-it-yourself kits cost far less. Decline or ask for removal from the price.
Nitrogen tire fill	Tires filled with nitrogen instead of regular air.	Question it	Ask what you're paying and what it does for you. Decline if the answer doesn't satisfy you.
Paint, fabric, or ceramic protection	Coatings applied by the dealer, sometimes with a limited warranty.	Question it	Ask the price, who backs any warranty, and what it excludes. You can refuse it.
Window tint, wheel locks, mats, accessories	Physical items the store installed or wants to install.	Negotiable	If you want them, negotiate the price. If you don't, ask for a unit without them or for the charge to come off.
Service contracts, GAP, maintenance plans	Optional products usually offered in the finance office.	Negotiable	Optional, never required. See No. 19, The Finance Office Game Plan.

5 What the FTC Says About Add-Ons and Junk Fees

- **Get it in writing first.** The FTC recommends getting an out-the-door price in writing before you visit, and asking the dealer to list the price of any proposed add-on ahead of time.
- **Saying no is okay.** "It's ok to say no to add-ons, and to ask the price," in the FTC's words.
- **Tucking them in is not.** The FTC says it's not okay for dealers to tuck add-ons into your deal or lie about them.

WHERE THE FEDERAL RULE STANDS

The FTC finalized its CARS Rule in December 2023 to target junk fees and add-on abuses. In January 2025, the U.S. Court of Appeals for the Fifth Circuit vacated it on procedural grounds before it took effect, and the FTC has since published a notice withdrawing it. The FTC still brings cases against dealers. Its recent actions include allegations of charging consumers for add-ons they didn't agree to or were falsely told were required.

FROM THE INSIDE

Our team has spent years on the dealership side of the desk. Add-ons on a second sticker are usually there because they're profitable, not because the car needs them. "It's already installed" doesn't make a product mandatory. The cleanest response is calm and specific: "I'm happy to buy at the out-the-door price we agreed to. I'm not paying for the add-ons. Either take them off the price or find me a unit without them." Plenty of good stores will work with that. If one won't, you've learned something useful about the rest of the deal.

Write every fee you see into **No. 17, The Out-the-Door Price Worksheet** so you can compare stores line by line, and bring **No. 20, Buyer's Order & Contract Review Checklist** to the signing.

NOT SURE ABOUT A LINE ON YOUR QUOTE?

Don't walk the lot alone.

This glossary tells you what a fee usually is. With Lot Coach, we read your actual quote and contract with you, live by phone, and tell you which lines are fair, which ones to push back on, and when the deal isn't worth taking.

Lot Coach \$599

(405) 761-3390 • autoadvocacy.net
THE DEALERSHIP HAS EXPERTS. NOW YOU DO, TOO.

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This worksheet is an educational planning tool, not legal, tax, or financial advice. Verify all figures with your lender, insurer, and the dealership before you sign.