

Fraudulent Use of Rental, Lease and Financed Motor Vehicles

CRIMINAL – NOT A CIVIL MATTER

As a result of manufacturers making vehicles more difficult to steal, there has been an increase in fraudulently obtaining rental, lease, or financed vehicles. Criminals are using them to commit other crimes, including violent crimes.

Obtaining a rental, lease, or financed vehicle by theft, fraud, or having someone else rent and fail to return allows an offender to conceal their identity and avoid being connected to other crimes they have committed.

Identifying them as “Civil Matters” and failing to enter them as a stolen fraudulently obtained vehicle only enables criminals to commit other crimes in vehicles that are difficult to trace back to them and creates an officer safety issue.

METHODS USED TO OBTAIN VEHICLES FRAUDULENTLY

These four methods used to obtain rental, lease, or financed vehicles fraudulently are:

- Failure to Return
- Identity Theft
- Posing as a “Straw Buyer”
- Submitting False Information

CRIMES ASSOCIATED WITH USE OF RENTAL, LEASE, OR FINANCED VEHICLE

Fraudulently obtained rental, lease, or financed vehicles have been linked to suspects or criminal organizations involved in other crimes. These other crimes include but are not limited to:

- Altering VINs
- Burglary
- Civil Unrest
- Dealing in Stolen Vehicles
- Disposing of Lien Property
- Gun Smuggling
- Illegal Substance Trafficking
- Murder
- Robbery
- Terrorist Activity
- Use of Vehicle by Wanted Person
- Vehicle or Vessel Thefts

VIOLATIONS OF LAW

In instances where a vehicle has been obtained fraudulently, there is a bonified rental, lease, or finance company that is a legitimate victim and violations of existing statutes have occurred. Violations that occurred when the vehicle was rented, leased, or financed fraudulently include:

- Auto Theft
- Disposing of a Liened Property
- Failure to Return a Rental or Lease
- Forgery
- Fraud Involving a Security Interest
- Identity Theft
- Loan Fraud
- Lien Sale Frauds
- Organized Scheme to Defraud
- Vehicle Title Fraud

LAW ENFORCEMENT AWARENESS AND ENGAGEMENT

Law Enforcement entities are frequently made aware of these fraudulently obtained or used rental, lease, financed vehicles from different sources. They may become aware of one of these vehicles when:

- During Follow-ups
- Exporting Incident
- Lease or Lien Holder Learns They have been Defrauded
- Real Owner/Victim Notifies Police
- Title Fraud Detected

METHODS USED TO DISPOSE OF VEHICLES

After use of the fraudulently obtained vehicle in other crimes, suspects will dispose of the vehicle for large profits. There are also many suspects who obtained the vehicle for the sole purpose of selling it and making large profits. Suspects frequently use the following methods to dispose of the fraudulently obtained vehicles.

- Fraudulent Lien Sale Title Transfer
- Sold Retail or Wholesale
- Sold in Another State or Exported Out of Country
- Turned Over for Use in Other Crimes
- VINs Altered and Sold Under False VIN
- Used in Illegal Sub-leasing or Sub-rental Schemes

CLOSING RECOMMENDATIONS

Fraudulently obtained rentals, leases, or financed vehicles are in many instances not “civil matters” and should be investigated to determine if violations of your state statutes have occurred. The added benefits are that identifying the vehicle as a stolen or fraudulently obtained vehicle may lead to the detection of more serious crimes and additional charges for the suspect(s). In some cases, the more serious crimes may be deterred because the criminal’s mode of transportation has been disrupted. Combating fraudulent vehicle purchases will help reduce and prevent many more serious crimes. It is recommended you implement the IACP resolution relating to enforcement of statutes relating to fraudulent vehicle purchases.

Crimes Associated with Use of Rental, Lease, or Financed Vehicles

- Motor Vehicle Cybersecurity
- Tow Truck
- Title Fraud
- Drug Trafficking
- Homicide
- Robbery
- Arson
- Burglary
- Fraud & Insurance Schemes
- Shootings
- Terrorism
- Identity Theft