

D-09-18-01

Date: September 14, 2018
Bulletin: Title Services
From: Business Licensing and Consumer Services
RE: Revised Bond Requirement

Effective October 1, 2018, HB 1065 Vehicle Laws – Title Service Agents affects the surety bond amount requirement and the ability to retain a percentage of the excise tax collected for title transactions.

As a result of this bill:

1. The surety bond amount required for title services will be increased from \$25,000 to \$50,000 per business. **The increased bond amount of \$50,000 must be in effect no later than October 1, 2018.**
2. A title service agent that, on behalf of the Administration, collects and remits the vehicle excise tax imposed may keep the lesser of \$12 per vehicle or 0.6% of the gross excise tax that the title service agent collects.
3. The bill also provides that if a title service fails to pay the appropriate excise tax for each title transaction, the administration may levy, in addition to the tax and assessment, a penalty equal to 25% of the tax due.

For more information on the bill, please visit
<http://mgaleg.maryland.gov/2018RS/bills/hb/hb1065F.pdf>

If you have any questions or concerns, please contact us at (410) 787-2950 or email at mvablcsd@mva.maryland.gov.