

Dealer Seminar Spring 2012

The Maryland Motor Vehicle Administration
Committed to Safety, Service and *You*

What's New at MVA?

- Mandated Tag Return
- Pending process established for Late transactions
- After July 1st, 2012, the MVA's 800 number will not be available
- Group formed to determine "What is a special transaction?"
- New 60 day Temporary Tag paper

Tag Return

- Deface plates using a permanent marker
- Plates must be accompanied by a full listing of the tags being returned.
- Cancelled plates can be returned to the MVA Warehouse
 - 150 Blades Lane Ste H, Glen Burnie MD 21061
 - 8 a.m. - 3 p.m. Monday through Friday
- Additional drop off sites coming soon!

Late Pending Transactions

- New procedures include:
 - Contacting dealers with late transactions by telephone and email.
 - Send letters to principal owner(s) if the transactions are not completed after the timeframe given in the initial contact.
 - In some cases the transactions may be transmitted without funds and funds may be requested from the bonding company.

New barcoded registration cards

- Required equipment
 - Laser printer
- Prints on 8 ½ x 11 paper
- Duplicate reg and unstickered reg issued on plain white paper
- No pocket for month sticker
- Stock will still be ordered through vendor
- New stickered paper will need to be handled as controlled inventory



6901 Ritchie Highway, N. E.
Glen Burnie, Maryland 21052

REGISTRATION CERTIFICATE



TAG NUMBER **9ZZ9999** UNIT # STICKER NUMBER **0000000**

TITLE NUMBER **25200185** MAKE AND BODY STYLE OF VEHICLE **MERZ 25**

YEAR	CLASS	EXCEPT	VEHICLE IDENTIFICATION NUMBER
2001	A	N/A	WDBR066F31F233416

GR VEH WGT	GR CORR. WGT	FEE	EXPIRATION DATE
3700	CCN/A	\$128.00	07/1/00/13

OWNER'S LICENSE HOLDER NO.	CO-DRIVER'S LICENSE HOLDER NO.
D000388000944	D000429500002

NAME(S) AND ADDRESS OF REGISTERED OWNER(S)
**JANE DOE
 JOHN DOE-DOE
 1 MAIN AVE SW
 PO BOX 123
 USA, MD 21126**

IMPORTANT NOTICE:

Maryland Law requires the vehicle be insured at all times. Tags must be returned PRIOR to any cancellation of insurance on this vehicle. Failure to comply will result in suspension of registration and penalty of up to \$2000.00 per vehicle, per year.

The Maryland Vehicle Law requires that you provide your insurance information when involved in an accident. The certificate of registration must be placed in this vehicle or on the person operating the vehicle.

A person may not drive a vehicle on a highway if the maximum speed capability of the vehicle does not exceed the posted speed limit for the highway by at least 5 miles per hour.

Maryland Vehicle Law requires you to display both a front and rear license plate on vehicles they are issued for.

NOTIFY THE MVA WITHIN 30 DAYS OF ANY NAME / ADDRESS CHANGE.



REGISTRATION INSTRUCTIONS:
 1) Remove stamp by bending paper at top edge of front and rear plate.
 2) Apply your license on top edge of front and rear plate of your plate.

MARYLAND M.V.A. TITLE/REG. RECEIPT		MARYLAND M.V.A. TITLE/REG. RECEIPT	
JANE DOE		T TAX	0.00
JOHN DOE-DOE		T FEE	100.00
TR DATE	07/14/2011	LN	
TR NO	25225211106900	TM TAG	0.00
TR TYPE	T	TRF	0.00
TITLE	25200185	ADM	0.00
CTL NO		MISC	0.00
CL/TAG	A 9ZZ9999	REG	101.00
STKR		RG SRCHG	27.00
MULTI	00	S&L INSP	0.00
VIN	WDBR066F31F233416	FEES	\$248.00
1ST LIEN	0720		
19T ALLIANCE FCU			
724 YORK ROAD 1ST FL			
BALTIMORE MD 21204			

MARYLAND M.V.A. TITLE/REG. RECEIPT	
CASH RECV	248.00
CR	0.00
CV+	0.00
CV-	0.00
C CRD	0.00
CREDIT	0.00
CHANGE	0.00
PAID	\$248.00
TRANS	0

Visit our MVA Website for Motor Vehicle Information and On-Line Services at <http://www.mva.maryland.gov>



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ERT Dealer Representatives

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Business Licensing Contacts

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Supervisor - Kim Lucas kwilliams1@mdot.state.md.us

Trade-in Allowance

- COMAR 11.15.33
- The amount of the trade-in allowance may not exceed the trade-in value indicated in the National Publication of used car values adopted for use by the Administration (NADA)
- Allowance may not be divided or deducted from the purchase price of more than one vehicle
- Leased vehicles
 - Applicable if the vehicle is being traded-in on the purchase of the new vehicle
 - The same leasing company owned the trade-in vehicle and was signing it over to the dealership to purchase the new vehicle
- Visit <http://www.dsd.state.md.us/comar> to review full regulations or www.lexisnexis.com to review Maryland laws

Corrections

Owner Correction

- Documents Required
 - Letter of explanation from dealership on letterhead
 - Incorrect title
 - Incorrect SIF (if applicable)
 - New VR-5
 - If removing a name, a letter from individual being removed
 - Correction Fee \$50.00

Note: Owner correction can only be made within the first year of titling.

Switched Certificate of Origin

- Documents Required
 - Letter of explanation from dealership
 - Incorrect title
 - Incorrect SIF (if applicable)
 - New VR-5
 - Correct certificate of origin
 - Odometer statement
 - Correction fee \$50.00

VIN/Make/Year/Body Style

- Documents Required
 - Letter stating what is being corrected
 - Incorrect title
 - Incorrect SIF (if applicable)
 - Correct fee \$50.00

Interactive Title and Registration Manual

Now available on MVA's website

www.mva.maryland.gov

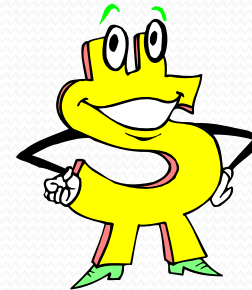
Benefits

- Provides online guidance to dealers and title services



- Information provided will increase efficiency, leading to greater customer service and satisfaction

- Assist with the proper completion of transactions, increase accuracy and reduce rejected transactions



- Includes contact information for MVA, dealers associations and ERT Vendors



DEPARTMENT OF TRANSPORTATION MOTOR VEHICLE ADMINISTRATION

Problem Solver | Maryland.gov | Online Services | State Agencies | Phone Directory



HOME | FAQS | HOURS & LOCATIONS | FEES | CONTACT US | HELPFUL LINKS | FORMS | INFOMVA | SITE MAP | ADMINISTRATOR'S CORNER

ONLINE TRANSACTIONS

- Online Registration Renewal
- E-Mail Management
- MVA Branch Office Wait Times
- Scheduling Appointments
- More...

DRIVER SERVICES

- Driver Education Information
- Driving Records
- Driver Licenses/Identification Cards
- Motorcycle Safety Program
- More...

VEHICLE SERVICES

- New to Maryland
- Title & Registration
- VEIP
- More...

BUSINESS SERVICES

- Bulletins
- Dealers
- Forms
- More...

ABOUT MVA

- Employment
- Environmental Management
- Fees
- Motor Voter
- More...



FREE MDOT VETERANS RESOURCE EXPO APRIL 30

Lt. Governor Brown announces that MDOT will host the 2012 MDOT Veterans Resource Expo to help Veterans transition from military life to civilian life.

Registration is open through April 20th. Click here to learn more...

<< < Auto Stop > >>

MVA Fee & Legislative Changes (effective July 1, 2011)

Vehicle Services

Do it Online - Fast. Easy. Safe.

- Registration Renewal
- Insurance Compliance
- Military
- Vehicle Emissions Extension
- Temporary Registration



Driver Services

- Rookie Driver
- Online Driver Test Tutorial
- Sources of Proof of ID
- Learner's Permit
- Driver's License
- International Applicants



Driver Safety

- Seatbelt use – share your thoughts
- Bicycle Safety
- Young Driver Safety
- Older Driver Safety
- Motorcycle Safety



Business Services

- Bulletins
- Dealer Information
- Forms
- Investigations




DO IT ONLINE

- MVA Branch Office Wait Times
- Account Management
- Change of Address
- Driving Records
- Emergency Contacts
- Schedule Driver's Skills Test

MVA Announcements

Maryland Motor Vehicle Registration Renewals by Email
 Maryland Governor Martin O'Malley talks about how Marylanders can now sign up to receive their motor vehicle renewal notifications via email... Watch here...

More Announcements
 Can be viewed by clicking here...



DEPARTMENT OF TRANSPORTATION MOTOR VEHICLE ADMINISTRATION



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Business Services



- [Bulletins](#)
- [Consumer Tips to Purchasing A Vehicle](#)
- [Dealers](#)
- [Dealer Seminar Questions](#)
- [Dealer Support Center](#)
- [Dealer Survey](#)
- [Dealer Temp Tags FAQs](#)
- [Forms](#)
- [Interactive Business Licensing Manual](#)
- [Interactive Title and Registration Manual](#)
- [Investigations](#)
- [Investigative Division Complaint Form](#)
- [Print On Demand Temporary Tag Presentation](#)
- [Special Mobile Equipment](#)
- [Title Service Agents](#)
- [Transporter or Finance Companies](#)
- [Additional Information](#)



For questions or concerns, please [contact us](#).

Legislative Highlights

2012

- **HB 678 Real Property Manufactured Homes**-requires the Motor Vehicle Administration to accept an affidavit that has been filed with the county clerk for a manufacturer home that has been affixed to real property or has been severed from real property.
- **HB 149 Mopeds and Motor Scooters**-requires the issuance of a title and title decal sticker
- **HB 668 Historic Motor Vehicles-Trucks, Tractors and Motor Homes**-allows the historic registration of Class E trucks in excess of 10,000 pounds, Class F tractor and Class M motor homes over 25 years old. A historic motor vehicle registered under the section may not be used for general or commercial transportation.
- **HB 1180 Required Security-Electronic Reporting Requirements**-requires the insurers to notify the MVA electronically of changes regarding insurance policies, which include any additions, deletions or modifications to the policy.
- **SB 401 Towing Practices and Procedures**-requires the Motor Vehicle Administration to establish and maintain a database containing addresses for certain insurers and the database be available to any tower free of charge.
- **SB 487 Salvage Defective Lost or Destroyed Certificates of Title**-allows for the issuance of an affidavit in lieu of title to an insurance company when requesting a MD Salvage Certificate.

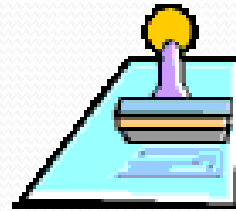
Dealer Audit Tidbits

Temporary Tags

- No temporary registration certificate can be issued for a courtesy delivery
 - Dealers should keep a record denoting which temporary tags were issued
 - CS-006 is needed for vehicles sold out of state which are not issued a temp tag

Transmittal Sheets/Title Lateness

- Ensure the branch office date stamps all transmittal sheets



- Retain for 3 years
- Walk-ins do not require a transmittal, but ensure you are receiving credit for the date the work is processed

Approximately 14% of title applications are late

Inspection Certificates

- A used vehicle should be inspected on or before the date of delivery



- Valid from 6 months from date of inspection or until 1,000 miles have been added to the odometer

ERT Sticker & Tag Accountability

- All sensitive items should be accounted for



- Have a log, ledger or perpetual records

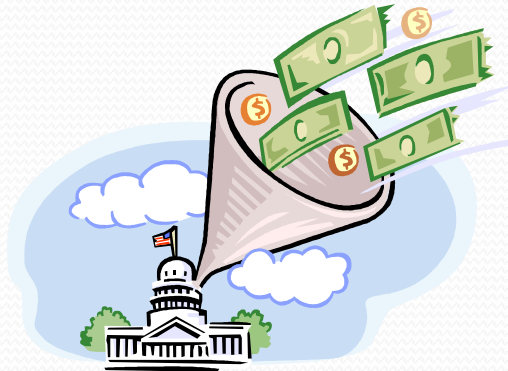
- Stolen stickers or tags should be reported to the ERT Unit, Business Licensing and your local law enforcement jurisdiction



- Voided inventory should be documented properly
- Limit access to secured inventory to necessary employees only

Taxable Selling Price

- Dealer processing fee is taxable and should be included in the taxable selling price
 - Should be clearly identified and not included as a lump sum on the buyer's order and sales invoice
- Manufacturer's rebates are taxable and should be included in the taxable selling price



Internal Auditing is mandated by the Legislative Auditors to expand dealership audits that have excise tax due based on numerous instances or fraud

Trade-Ins


- COMAR 11.15.33.05 allows dealerships to deduct the trade-in allowance from the taxable selling price
- Internal Auditing is reviewing transactions on every dealership audit to determine if trade-ins are being handled properly
 - Will tax any material differences and expand when applicable
- Only 1 trade-in is allowed on any particular transaction
 - The trade-in allowance shall be limited to the vehicle with the highest trade-in vehicle

Vendor Aged Transaction Reports or Past Due Pending Reports

- Monitor/review reports to ensure transactions are processed within 30 days
- Reports occasionally contain transactions that are extremely late
 - In most cases the transactions were walked into MVA to be processed and should have been voided or deleted from the ERT system
- Review these reports for accuracy and correct or delete transactions when appropriate



Questions and Answers

- 
- Q. Can it be mandatory to process a title only transaction if a violation exists? Right now, the entire transaction is returned.
- A. The dealer has the ability to process the new transaction as a title only when the individual has an Insurance Violation, however it is not mandatory. Doing so will satisfy the dealers requirement to title the vehicle. In addition, the dealer will need to notify the customer of the problem so they can resolve it before registration can be issued. In some instances the customer can clear the violation which then allows the issuance of registration at the same time the title work is processed.
- Q. Why doesn't the processor clear the violation if we send proof of the old car being traded in on the same day as the violation?
- A. Insurance violations can be cleared the same day when proper documentation is received in the Insurance Compliance Unit. It is important to note that cases are automatically closed if the tags are returned using ERT, returned to the Administration, or they were transferred to the newly purchased vehicle.

Q. On back of titles can we draw a diagonal line and write (see) VR-5 , application for Maryland title?

A. You have the option of completing either the VR-005 or the application on the back of the title. If you choose to use the VR-005, there is no need to make any mark on the title in the application area.

Q. When a customer has an out of country license or Visa and will not get a Maryland license in a timely manner, how can we get the vehicle titled and registered so the dealer does not accrue a fine from the MVA?

A. If the customer does not yet have a Maryland Driver License be sure to complete their full name and date of birth on the form VR-005 and take the transaction to a full service branch office for processing. They will assign a soundex number.

Q. When will dealers be required to use the paper registration cards that are now being issued by the MVA?

A. We are currently in the process of developing a pilot with both vendors. Upon successful completion, the new process will be available to all participants.

Q. Can we get information regarding Maryland's Lemon Law?

A. Maryland's Lemon Law can be found in Commercial Law Section, CL 14-1502. You may also obtain information in the Interactive Title and Registration Manual on our website at mva.maryland.gov

Maryland's Lemon Law applies to new or leased motor vehicles (including cars, light trucks and motorcycles), registered in Maryland, that are less than 24 months old and have been driven less than 18,000 miles. The law provides for consumers whose cars meet certain criteria to receive a refund or a replacement vehicle if repair attempts have failed to correct a problem, and the problem substantially impairs the use and market value of the vehicle. The manufacturer can replace the vehicle with a comparable one, or buy it back, whichever is preferred. The repurchase price offered should cover the full purchase price including license fees, registration fees and other similar governmental charges. The manufacturer can subtract up to 15 percent of the purchase price for use of the vehicle, and a reasonable allowance for damage not attributed to normal wear and tear.

Excise taxes are not refunded by the manufacturer. The Motor Vehicle Administration will return those or apply them against the next vehicle. For question regarding excise taxes, call the Motor Vehicle Administration's customer service line at 800-950-1MVA.

If the manufacturer refuses to provide a replacement vehicle or refund, or if assistance is needed in negotiating the appropriate refund price, a complaint may be filed with the Consumer Protection Division.

Q. Explain trade-in?

A. Information on trade in can be found in our Interactive Titling and Registration Manual located on our website at mva.maryland.gov.

Trade-in allowance

A dealer determines the trade-in allowance that is deducted from the purchase price of another vehicle. The amount of the trade-in allowance may not exceed the trade-in value indicated in the national publication of used car values adopted for use by the Administration. A trade-in allowance may not be divided or deducted from the purchase price of more than one vehicle and will be limited to the vehicle with the highest trade-in value.


A vehicle titled in Maryland or out-of-State may be used as a trade-in.

If the vehicle traded-in is subject to a lien, the owner or co-owners of the vehicle are entitled to the full trade-in allowance. The trade-in allowance is not limited to the amount of equity the owner has in the vehicle.

Qualifications for the trade-in allowance

A trade-in allowance shall only apply when:

- (1) The owner or co-owner of the trade-in vehicle is the owner or co-owner of the vehicle being purchased; or
- (2) The owner or co-owner of the trade-in vehicle is a relative who is a spouse, son, daughter, grandchild, parent, sister, brother, grandparent, father-in-law, mother-in-law, son-in-law, or daughter-in-law of the owner or co-owner of the trade-in vehicle and is the owner or co-owner of the vehicle being purchased.



For a relative who qualifies for a trade-in allowance, the dealer shall submit an application for a certificate of title to the Administration with a completed application for Maryland Gift Certification (VR-103) that certifies the relationship to the owner or co-owner of the trade-in vehicle and vehicle being purchased. Proof of the relationship is required if the last names of the relatives are different.

A trade-in allowance may be applied when the owner of the trade-in vehicle is the primary beneficiary of an inter-vivo trust and the purchased vehicle is in the name of the inter-vivo trust.

Leased Vehicles:

A trade-in allowance may be applied to the purchase price of a leased vehicle if the trade-in is in the same owner's name as the name of the lessee on the purchased vehicle; or the vehicle is:

- (a) Owned by the same leasing company purchasing the vehicle;
- (b) Being assigned to the dealer; and
- (c) Becoming a part of the dealers inventory for resale.

A trade-in does not include a vehicle acquired by a dealer but not assigned to a dealer.