

# Titling Tips

August 2015

## Important Reminders for Dealers

### ➤ DEALER RENEWAL NOTICES

Dealer renewal notices were mailed out in early August. Please mail all renewal-related documentation as soon as possible and no later than October 30, 2015 to:

Dealer Licensing Section  
PO Box 43  
Jefferson City, MO 65105

Each application for a dealer license, driveaway plates, additional or replacement dealer plates, etc., will be processed in the order in which it was received. Prompt and correct completion of your renewal application will help avoid any interruption in licensure and allow time for dealer license plates to be produced and received. *A common reason a dealer application is rejected is due to missing sales reports.* Therefore, it is important that all sales reports are filed with the Department prior to submitting your renewal.

**NOTE:** All dealer licenses expire on December 31 of the designated license period. Any dealer who continues to maintain or operate the business without a license is in violation of [Section 301.559, RSMo](#), and guilty of a Class A misdemeanor. Any person committing a second violation for operation as a dealer without a license shall be guilty of a Class D felony.

### ➤ HELP YOUR CUSTOMERS BY COMPLYING WITH THESE REMINDERS

Below are the most frequent reasons why customers are turned away from the license office at the time of titling when a Missouri dealer is the seller. Please help us help customers by complying with the reminders below:

- The net price on the title application or invoice must match the Notice of Sale that the dealer files and the title assignment.
- The net price must be recorded on the title assignment.
- The [Application for Missouri Title and License \(Form 108\)](#) must be signed by the dealer to certify a trade-in.
- The dealer invoice must be signed by the dealer to verify purchase price and trade-in information if there is no dealer certified title application.
- The dealer must provide the customer with a copy of the traded in vehicle's title or a power of

attorney (POA) to be submitted with their title transaction.

- Ensure that all title assignments have been completed properly and that all required signatures have been completed.
- If there is a lien on the previous owner's title, ensure that a completed notarized lien release is provided to the customer at the time of sale.
- Remind your customers that they must:
  - Title and pay sales tax within 30 days of purchase to avoid title penalties; and
  - Submit the following items upon registering the vehicle:
    - ◆ Valid proof of insurance;
    - ◆ Proof of personal property taxes paid for the year prior to purchasing the vehicle that they are registering *or* submit a statement of non-assessment;
    - ◆ A safety inspection less than 60 days old (if applicable); and
    - ◆ An emissions inspection less than 90 days old (if applicable).

### ➤ CORRECT ENTRY OF NOTICE OF SALE (NOS) AND NOTICE OF LIEN (NOL) INFORMATION

When entering a NOS or NOL, please verify the information is accurate before submitting the application. Also, verify the purchaser's last name is entered first ("Jones, David" for example). Incorrect entries may cause the transaction to be rejected and delay the issuance of the title.

### ➤ TEMPORARY REGISTRATION PERMIT OWNER AND VEHICLE INFORMATION

When processing a temporary registration permit for a vehicle sold by your dealership, please ensure that all owner and vehicle data are correct before submitting the permit for issuance.

### ➤ RELEASING A LIEN

On a motor vehicle, trailer, manufactured home, vessel, or outboard motor, Sections [301.640](#), [306.420](#), and [700.370, RSMo](#), require the lienholder to release the lien on a separate document within five business days after the lien is satisfied. The released document shall be notarized. Once the owner receives the lien release they may either apply for an original title submitting the lien release and title, and paying the appropriate fees; or apply for a duplicate title submitting an [Application for](#)

[Missouri Title and License \(Form 108\)](#), copy of the lien release, and paying the applicable fees.

## Legislative Updates

### ➤ [HOUSE BILL 111](#) INCLUDES THE FOLLOWING PROVISIONS:

#### SALES TAX FOR USED MANUFACTURED HOMES

- Eliminates **ALL** tax on used manufactured homes.

### ➤ [HOUSE BILL 524](#) INCLUDES THE FOLLOWING PROVISIONS:

#### ELECTRONIC LIEN RELEASE

- Allows the Director of the Department of Revenue to adopt rules and regulations allowing specified motor vehicle or trailer lienholders to electronically release a lien.

### ➤ [SENATE BILL 254](#) INCLUDES THE FOLLOWING PROVISIONS:

#### LICENSE PLATE MOUNTING

- Allows trailer and motorcycle license plates to be mounted horizontally or vertically on the left rear of the motor vehicle.

#### ELECTRONIC SIGNATURE FOR TITLE TRANSFER

- Changes the requirements for a notice of sale to allow for an electronic signature of the transferor.

### ➤ [SENATE BILL 456](#) INCLUDES THE FOLLOWING PROVISIONS:

#### NEW PROCESS FOR MOTOR VEHICLE DEALERS TO BUY AND SELL MOTOR VEHICLES WITHOUT A MISSOURI TITLE

- Modifies the process for a motor vehicle dealer to buy or take a vehicle on a trade (used vehicle) and subsequently sell the vehicle without having obtained a title. The new requirements, prescribed in 301.213, RSMo, only apply to dealers who have filed a \$100,000 bond with the Department and are selling a Missouri-titled vehicle without a title.
- Allows the operation of a motor vehicle with transferred license plates for **90 days** and allows the issuance of a temporary permit authorizing the operation of a motor vehicle or

trailer for not more than **90 days** if the selling dealer is selling the motor vehicle under the provisions of section 301.213 and the title is not readily available at the time of the sale.

Details of the process are found in the [Missouri Dealer Operating Manual](#). See Section 10, Buying and Selling a Vehicle without Title, and Section 10, 90-Day Permit.

#### PROVIDES OPTION FOR ACCEPTANCE OF ELECTRONIC SIGNATURES

Expands the authority for electronic signatures to be used on a power of attorney document, without a notary requirement, when an insurance company has paid a total loss on a motor vehicle and is changing ownership of the vehicle from the owner to the insurance company.