

Titling Tips

August 2013

Legislative Updates

[House Bill 103](#) includes the following provisions:

- **AUTHORIZES ISSUANCE OF SPECIALTY LICENSE PLATES FOR OUT-OF-STATE UNIVERSITIES**
 - Allows the issuance of out-of-state college specialty license plates approved by the Joint Committee on Transportation Oversight prior to August 2012. Includes *Arkansas Alumni – Go Hogs!* and *Pittsburg State University*.
- **ALLOWS ISSUANCE OF REPLACEMENT TABS AT NO COST WITHOUT A POLICE REPORT**
 - An applicant may receive up to two sets of replacement plates or tabs at no cost. Applicant must present a notarized affidavit verifying that the plates or tabs were stolen, but a police report will no longer be required.

[House Bill 322](#) includes the following provision:

- **PROVIDES OPTION FOR ELECTRONIC PROOF OF FINANCIAL RESPONSIBILITY**
 - Allows motor vehicle operators to show proof of automobile insurance using a mobile electronic device (cell phone, tablet computer, etc.).

[House Bill 349](#) includes the following provision:

- **ALLOWS OPTIONAL SECOND PLATE FOR COMMERCIAL MOTOR VEHICLE (CMV)**
 - Any owner of a commercial motor vehicle whose vehicle is licensed in excess of 12,000 pounds may be issued a second license plate. The second plate will have the same configuration as the initial (front) license plate, but will bear a "2" sticker indicating that it is for the rear of the vehicle.

[House Bill 428](#) includes the following provisions:

- **MODIFIES PROVISIONS FOR INSURER TO OBTAIN TITLE FOR A SALVAGE VEHICLE**
 - Allows a letter of guarantee and proof of payment from the lienholder to be submitted to the Department in lieu of a notarized lien release when an insurer purchases a vehicle or trailer through the claims adjustment process.

- **MODIFIES PROVISIONS FOR REGISTERING DEALER COURTESY VEHICLES AND DRIVER TRAINING VEHICLES**

- Allows a public school or college to purchase a vehicle from any dealer to be used as a courtesy vehicle or a driver training vehicle. Previously the purchase had to be made from a new motor vehicle franchised dealer.

[Senate Bill 148](#) includes the following provision:

- **CREATES NEW "SALVAGE PERMIT" FOR LIMITED OPERATION OF SALVAGE VEHICLES**

- The director may issue a salvage permit to an individual who possesses a salvage motor vehicle which requires a completed [Vehicle Examination Certificate \(Form 551\)](#). The operation of a salvage motor vehicle for which the permit has been issued shall be limited to the most direct route from the residence, maintenance, or storage facility of the individual in possession of such motor vehicle to the nearest authorized inspection facility and return to the originating location. The salvage permit is valid for thirty days. The application must include:
 - The purchase of a [Vehicle Examination Certificate \(Form 551\)](#);
 - A vehicle safety inspection;
 - Proof of Insurance; and
 - Proof of ownership.

[Senate Bill 252](#) includes the following provision:

- **ELIMINATES REQUIREMENT FOR WORLD WAR II MEMORIAL TRUST FUND DONATION AND ESTABLISHES FUNDING STREAM FOR THE NEW WORLD WAR I MEMORIAL TRUST FUND**

- Requires the Department to notify an applicant for a military license plate that he or she may make a \$10 contribution to the new World War I Memorial Trust Fund, and that an applicant for a nonmilitary license plate may voluntarily contribute \$1 to that fund. The Department will no longer solicit or collect contributions for the World War II Memorial Trust fund.

Important Reminders for Dealers

- **DEALER LICENSE RENEWALS AND THE DEALER WALK-IN LICENSING WINDOW**
The Department of Revenue is operating on a

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reduced budget for the 2014 fiscal year. As a result of these budget constraints, the walk-in dealer licensing window at the Harry S Truman State Office Building in Jefferson City has been closed effective Tuesday, July 30, 2013.

With the dealer renewal season underway, please ensure you mail all of your renewal-related documentation as soon as possible (and no later than October 30, 2013) to:

*Missouri Department of Revenue
Dealer Licensing Section
PO Box 43
Jefferson City MO 65105*

All applications for licenses, driveaway plates, additional or replacement dealer plates, etc., will be processed in the order in which they are received. The Department strongly encourages that all renewal applications be mailed to the dealer licensing section as soon as they are completed. A common reason a dealer application is rejected is due to missing sales reports. It is very important to ensure all sales reports have been filed with the Department prior to submitting your renewal. 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.

➤ **TITLING MOTORIZED BICYCLES AND SCOOTERS**

A scooter is considered a *motorcycle* (and must, therefore, be titled and registered) if it meets *even one* of the following descriptions:

1. It has a manual transmission;
2. It has a cylinder capacity of 51cc (cubic centimeters) or more;
3. Produces 3 or more gross brake horsepower (or 2237.1 watts, if electric); or
4. It is capable of going more than 30 mph (miles per hour) on level ground.

For example; even if an Manufacturer's Statement of Origin (MSO) for a scooter indicates that it has a cylinder capacity of 49cc or less, you must still verify whether or not the scooter would meet at least one of the other three requirements requiring the unit to be titled and registered as a motorcycle.

To be considered a *motorized bicycle* (and thus, be *exempt* from titling and registration), the unit must meet *all four* requirements listed below:

1. It has an automatic transmission;
2. It has a cylinder capacity of 50cc or less (does not apply if electric);
3. It produces less than 3 gross brake horsepower; and

4. It is not capable of going more than 30 mph on level ground.

➤ **NOTICE OF SALE (NOS) REPORTING**

All complete sales must be reported on a [Dealers Monthly Sales Report \(Form 385\)](#) or filed electronically by the 15th day of the month following the month in which the sale occurred.

Sales *exempt* from reporting requirements (and for which a NOS is *not* required) include:

- Vehicles which are:
 - Sold for salvage or with a salvage title or junking certificate;
 - Transferred to an insurance company due to a theft or casualty loss;
 - Repossessed (at the time the repossession title is obtained);
 - Awarded by a declaratory judgment;
 - Sold to a dealer;
 - Sold to an out-of-state purchaser;
 - Transferred to a transfer-on-death (TOD) beneficiary, *unless* the TOD beneficiary assigns the title to another purchaser;
 - Transferred to beneficiaries named in a trust; or
 - Transferred from an individual to their trust.
- Manufactured homes;
- Vessels; and
- Outboard motors.

Reminder: You should not file a Notice of Sale or Notice of Lien until the sale is finalized.

➤ **TEMPORARY REGISTRATION PERMITS**

Effective July 1, 2013 the Department transitioned to a new temporary registration permit. *The old-style permits should no longer be issued.* Thank you for your part in the successful transition to this new permit process.

Please remember the following:

1. In order to print the temporary registration permit; your computer must have:
 - A current version of Adobe Reader;
 - A laser jet printer (dry toner); and
 - Internet access.
2. The permit includes a perforated tear-off receipt for the customer to carry in the vehicle;
3. The temporary registration permit must be placed on the rear of the vehicle consistent with registration plates;
4. Once the applicant has signed the temporary registration permit you are required to keep a photocopy of each temporary permit sold for your files;
5. If you receive an error message while

processing a temporary registration permit, please log out of the application, close your web browser, and try processing the temporary registration permit again before contacting the Dealer License section for assistance;

6. An Administrative user is the only user that can reset a user's password;
7. Permits are required to be reported on your monthly sales report;
8. Voids and misfeeds are still required to be reported;
9. The link to order the temporary registration permit stock is <http://custompoint.rrd.com/DOR>; and
10. The link to process a temporary registration permit is https://sa.dor.mo.gov/mv/trpa_dealers/logon.aspx.

- Net price.

If the ownership document does not have a preprinted area for recording the pricing information, (i.e., Manufacture Statement of Origin (MSO) or an out-of-state title), the dealer should record the words "Net Price" and the corresponding net price.

➤ **OWNER NAME(S) ON NOTICE OF LIEN (NOL) AND TITLE APPLICATION MUST MATCH**

Lienholders and dealers filing NOLs on behalf of lienholders must ensure that the owner name(s) entered on the NOL matches those entered on the title assignment and the [Application for Missouri Title and License \(Form 108\)](#). Doing so will help prevent a reject and ensure the lien is recorded correctly.

➤ **DEALER MUST PROVIDE APPLICABLE TRADE-IN DOCUMENTATION**

When a vehicle is traded in to a dealership, the dealer *must*:

- Provide vehicle purchasers with a copy of the front and back of the title assigned from the owner of the trade-in to your dealership;
- Advise purchasers to submit these copies with their application for title to the license office.

This assists the Department when validating the trade-in, especially when:

- The vehicle purchaser is not the owner of the vehicle traded in; or
- The title (for the vehicle traded in) is an out-of-state title.

If the title to the trade-in is held by a lienholder, a copy of the completed [Secure Power of Attorney \(Form 5086\)](#) may be submitted in lieu of the title copies.

➤ **COMPLETE SALES-RELATED AMOUNTS ON THE TITLE ASSIGNMENT**

Recording the pricing information on the title assignment is very important to:

- Prevent fraud; and
- Allow the license office to easily verify that the amount on the title application or invoice was not altered.

On the title assignment, dealers *must* record:

- Sale price;
- Trade-in amount (or "None" if there was no trade-in); and