

Titling Tips

June 2013

Important Reminders for Dealers

➤ CORRECTION FROM FEBRUARY 2013 TITLING TIPS

In the February 2013 edition of *Titling Tips*, we asked you to remind your customers of the required documents and fees to register their newly-purchased vehicle. The article stated that the emissions inspection must be less than 90 days old (if applicable), which is only partially correct.

Vehicles operated or registered in St. Louis City, St. Louis, St. Charles, Franklin, and Jefferson counties are subject to an emissions inspection unless they are exempt by law. The emission inspection date must be:

- **Within 60 days** if a renewal or license plate transfer (no change of ownership);
- **Within 90 days** if vehicle was sold by an individual; and
- **Within 120 days** if vehicle was sold by a dealer.

➤ VERIFY THE PURCHASER'S CORRECT COUNTY OF RESIDENCE WHEN COMPLETING A TITLE APPLICATION

Frequently, an applicant may be charged an incorrect sales tax rate because the dealer recorded an incorrect county name on the dealer-certified Application for Title and Registration ([Form 108](#) or [Form 93](#)). When completing a title application for a vehicle purchase, the dealer must be sure to verify that the correct county is recorded for the purchaser's residence address.

➤ RECORDING DEALER SALES TAX CREDITS

A title application must be signed by the dealer to certify any trade-in credits or rebates. Completing a title application when there are multiple credits can be confusing. Use the following tips to complete the application correctly and reduce confusion. Credits should be recorded in the appropriate designated area on the title application.

- **Rebate:** This is a cash rebate to reduce the net purchase price of any unit or an incentive offered by a manufacturer.
- **Vehicle Trade-in:** This refers to the value of any tangible personal property taken in trade as an allowance or partial payment on the purchase price of a vehicle being sold by a licensed dealer. The trade-in credit may apply to multiple vehicles purchased provided all

transactions occur on the same day and at the same dealership. The dealer must provide the purchaser with a photocopy of the front and completed back of the title assigned from the owner to the dealer for the trade-in.

- **Other credit:** Record the total amount of other credit allowed toward the purchase price (e.g. 180-day tax allowance, total loss, farm products, etc.), if applicable.

➤ CUSTOMERS CANNOT PURCHASE REGISTRATION UNTIL THEY TITLE THE UNIT AND PAY ALL APPLICABLE TAXES AND FEES

Delinquent fee (DelFee) notices are mailed to vehicle owners who fail to title and pay taxes 60 days or more after the purchase date. Customers may occasionally contact your office to inquire about setting up a payment plan. Please stress to your customer that the Department does *not* accept partial payments of sales tax when titling a vehicle. Under [Section 301.190 RSMo](#), a registration will not be issued unless the applicant makes application for title and pays *all* applicable taxes and fees.

➤ SALES REPORTING REQUIREMENTS

Please ensure the price you enter when you e-file each vehicle sale is the *net* price of the unit, which should coincide with the *net* price you certify on the title application you provide your purchaser.

The Department frequently relies on this information in determining the vehicle purchaser's sales tax liability so it is critical that it be correct. Likewise, please make sure you record the sale price, the trade-in, and the net price amounts on the title assignment to help deter sales tax fraud. You may also edit or delete a sales record at any time, provided you have not clicked on "File Monthly Sales Report". A sales report may be changed by selecting "Edit" to make any changes (if the sales report was filed in the previous two months). If the sales report was not filed in the previous two months, the report cannot be revised.

Go to <http://dor.mo.gov/motorv/liendeal/> and click on "Sales Reporting Requirements" for more information regarding electronic sales reporting. [Section 301.280, RSMo](#), requires every vehicle dealer selling 20 or more vehicles a month to file the monthly sales report in an electronic format. You

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may file electronically regardless of how many sales you make.

It is very important that the information on the Notice of Sale is recorded accurately. An error in the Notice of Sale information may result in unnecessary delinquent fee notices to the customer.

➤ **NEW TEMPORARY PERMITS COMING JULY 1, 2013**

Effective July 1, 2013 the Department will discontinue the current temporary registration permits and transition to a new temporary registration permit. The newly issued temporary registration permit will need to be placed on the rear license plate holder of the vehicle to ensure proper compliance. The current temporary registration permit stock cannot be sold after June 29, 2013. You may return unused temporary registration permits that cannot be used after June 29, 2013 to the dealer licensing section and apply for a refund for each returned temporary registration permit.

Temporary registration permits will no longer be available through the Department of Revenue dealer licensing section. The newly designed temporary registration permit stock may be obtained through the authorized vendor. Instructions on how to obtain these permits were provided to all dealers on May 24, 2013. With this transition, upon issuance of a new temporary registration permit, a record of the transaction will immediately be available to law enforcement.

➤ **OBTAINING TITLE IN A DEALERSHIP'S NAME**

A dealer may apply for an *original* title in the dealer's name (if the purchaser's title or MSO is lost, stolen, or mutilated) by submitting the following required documents and fees:

- A signed and completed Application for Title and Registration ([Form 108](#) or [Form 93](#)) in the dealer's *registered* name;
- Photocopy (front and back) of the lost, stolen, or mutilated title/MSO showing assignment to the purchaser;
- A *notarized* General Affidavit ([Form 768](#)) signed by the purchaser, which states the original title was lost, stolen, or mutilated; *and*
- Applicable titling and processing fees.

Upon receipt of the new title, the dealer must:

- Assign the new title to the purchaser;
- Record the original sale date; *and*

- Provide the purchaser with a copy of the front and back of the lost title (to explain why the purchase date is prior to the issue date of the new title). A Date of Sale Verification (Form 4025) should not be completed by the dealer in this situation. The purchaser must pay the title penalty fee, if applicable, based on the original purchase date.

➤ **ONLINE NOTICE OF LIEN (NOL) FILING**

Dealers filing on behalf of lienholders may file liens online once they have submitted a properly completed [Application for On-line Account \(Notice of Lien Filing/Record Access/Direct Debit\) \(Form 5017\)](#) and have been issued a user ID and password by the Department. The filed NOL *must be* in the same purchaser(s) name that appears on the dealer-certified application, title assignment, and dealer invoice.

➤ **ID/OD Verification**

An application for original or repossessed title that is accompanied by an out-of-state title *must* include an inspection of the vehicle identification number (VIN) and a current odometer reading (ID/OD) regardless of the model year of manufacture. Motor vehicles are exempt for the first five years following the model year of manufacture from a *safety inspection*, however if the vehicle is on an out-of-state title it is required to have an ID/OD verification submitted.

Exemptions from an ID/OD inspection include:

- New motor vehicles with a Manufacturer's Statement of Origin (MSO), trailers, and all-terrain vehicles (ATV's); and
- Purchasers of U.S Government vehicles.

➤ **"RAM" IS NOW A SEPARATE MAKE FROM "DODGE"**

You may have already noticed that "Ram" appears as the make on the Manufacturer's Statement of Origin (MSO) for affected vehicles. If Ram is listed as the make on the MSO, the vehicle should be listed as a Ram (RAM), *not* a Dodge (DODG), on the title application and any NOS or NOL entry. Please note that Dodge Ram vehicles manufactured before the switch will continue with Dodge as the make.