

# Virginia Dealer Manual



Virginia Department of Motor Vehicles  
2017



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## OVERVIEW

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The Motor Vehicle Dealer manual is intended to provide guidance on dealer enterprise licensing and transacting business with the Virginia Department of Motor Vehicles and Motor Vehicle Dealer Board. The primary uses of this manual are:

- To explain DMV/MVDB and Commonwealth of Virginia's requirements which apply to your dealership's operations
- To help make transacting business with DMV/MVDB as easy as possible
- To help you, as a dealer, in handling your customer's title and license transactions with DMV

Below is a brief overview for each chapter:

**Chapter 1: Dealer Licensing**

Motor Vehicle Dealer Board (MVDB) requirements for obtaining a dealer license

**Chapter 2: Transacting Business with DMV**

Ordering, maintaining and accounting for DMV forms

**Chapter 3: Vehicle Titling**

Assisting customers with titling a new or used vehicle

**Chapter 4: Virginia Motor Vehicle Sales & Use Tax & Title Fees**

Calculating Virginia Motor Vehicle Sales and Use Tax and DMV title fees

**Chapter 5: Vehicle Registration and Licensing**

Obtaining a vehicle registration card and license plates

**Chapter 6: Uninsured Motor Vehicle Fee, Emissions Inspection Fee, & Online Fee Calculator**

Collecting the uninsured motor vehicle fee (includes vehicle licensing fee chart)

**Chapter 7: Dealer Functions & Duties**

DMV/MVDB dealer requirements and odometer disclosure laws

**Chapter 8: Motor Vehicle Transaction Recovery Fund**

Filing a claim; assignment of rights; and license revocations

**Chapter 9: Print on Demand (PoD) Program**

Participating in the PoD program

**Chapter 10: Online Dealer Program**

Enrolling as an online dealer; responsibilities; vendor options

**Chapter 11: Fees, Charts & Forms**

Fee charts and DMV form samples

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## CHAPTER 1: DEALER LICENSING

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### 1.1 DEALER LICENSING REQUIREMENTS

#### 1.1.1 License Required

All individuals and business organizations that sell or deal in motor vehicles in Virginia must meet certain requirements and obtain appropriate licenses the MVDB.

#### 1.1.2 Dealer's Licenses

You must obtain a dealer license from MVDB (franchised or independent: truck/automobile, motorcycle, trailer, and/or recreational vehicles) by submitting Form [MVDB 10](#) "MOTOR VEHICLE DEALER LICENSE APPLICATION FOR INITIAL LICENSE/RENEWAL/CHANGE" before you begin operation as a motor vehicle dealer.

#### 1.1.3 Dealer Operator

Each dealership must have a certified dealer operator. The certificate of qualifications may be obtained by successfully completing a written examination administered at a local DMV Customer Service Center (CSC) and paying a fee of \$50.00.

**Note:** If you intend to become the dealer-operator at an independent dealership, you must first successfully complete a course of study (schedules can be found at [www.mvdb.virginia.gov](http://www.mvdb.virginia.gov)) before you can take the independent dealer/operator exam.

#### 1.1.4 Operation in Virginia

- Obtain the appropriate study guide(s) from the MVDB WEB site ([MVDB 34](#), "MOTOR VEHICLE DEALER-OPERATOR STUDY GUIDE MATERIALS" and /or [MVDB 35](#), "MOTOR VEHICLE DEALER SALESPERSON STUDY GUIDE MATERIALS") and visit any DMV Customer Service Center once you are ready to take the qualification test.
- Complete form [MVDB 57](#), "DEALER OPERATOR/SALESPERSON QUALIFICATION TEST APPLICATION".
- DMV CSCs will administer the appropriate type of examination for a salesperson, independent dealer-operator, or franchise dealer operator.
- The test requires a fee of \$50.00.
- If you should fail the test, you may take it again after paying the \$50 fee.
- The Certificate of Qualification is the first step to obtain a license. The applicant must apply for a license to the MVDB headquarters office. License applications are not accepted at DMV CSCs or DMV Select Offices.

**Note:** An applicant whose Salesperson's License has expired for more than 12 months is required to "re-qualify" before applying for another Salesperson's License. Re-qualification requires the applicant to pay the \$50.00 testing fee and successfully pass the test to be eligible to apply for the Salesperson's License.

- Complete a [DSD 7](#), "APPLICATION FOR CERTIFICATE OF QUALIFICATION/SALESPERSON'S LICENSE" to be submitted to MVDB by the dealership who will be employing you.

### 1.1.5 Dealer License Plates

Every dealer must first secure the appropriate license plates before operating vehicles in his inventory for sale or resale. Any vehicle driven on a public road or highway in Virginia must be properly licensed. Automobile/truck, motorcycle, trailer, and recreational vehicle dealers may apply for dealer plates and registration through the MVDB. The maximum numbers of dealer plates issued are authorized as follows:

<u>Sales of Vehicle</u>	<u>Number of Plates</u>
0-24	Two (2) dealer plates
25-49	Four (4) dealer plates
50+	Not to exceed 4x the number of licensed salespersons
Original Application	Not to exceed 4x the number of licensed salespersons

You may request dealer plates by submitting a [MVDB 9](#), "DEALER PLATE APPLICATION" to the MVDB. No dealer shall be issued dealer license plates unless they hold a valid dealer license certificate.

### 1.1.6 Individual Licenses

A salesperson license must be obtained from MVDB by submitting a [DSD 7](#), "APPLICATION FOR CERTIFICATE OF QUALIFICATION/SALESPERSON'S LICENSE" before beginning operation in Virginia as a Motor Vehicle Salesperson.

No salesperson shall be employed by more than one dealer, unless the dealerships are owned by the same person (firm, partnership, or corporation).

If you wish to operate either a Permanent supplemental location or a Temporary supplemental location, submit form [MVDB 22](#), "Supplemental Sales Application FOR TEMPORARY OFF-SITE SALE OR PERMANENT SUPPLEMENTAL LICENSE" and the \$40.00 fee to MVDB.

### 1.1.7 Dealer's License

The Dealer's License issued by MVDB must be displayed in the place of business of a motor vehicle dealer.

Each dealer must notify the MVDB in writing no later than the tenth (10<sup>th</sup>) day of each month, following the month of termination of employment of a licensed salesperson. In lieu of written notification the salesperson license may be returned to MVDB annotated "terminated" on the face of the license and signed by the dealer-operator, owner, or officer. If the license is not available, complete and return to the MVDB a completed [MVDB 41](#), "SALESPERSON TERMINATION OF EMPLOYMENT".

### 1.1.8 List of Salespersons

Every dealer must post and maintain in a place conspicuous to the public a list of all licensed salespersons currently employed.

### 1.1.9 Carrying Salesperson License

Salespersons must carry their licenses when conducting business.

### 1.1.10 Advertising

All advertisements in newspapers or other publications issued for the public must be clearly identified by the dealership name or the abbreviation "VA DLR" in the advertisement.

### 1.1.11 Regulated Dealer Advertising Practices

Virginia code §§46.2-1581 through 46.2-1582 and the “Motor Vehicle Dealer Advertising Regulations” sets-out dealer advertising practices and permit the Motor Vehicle Dealer Board to assess a civil penalty up to \$1,000 per day for each violation.

If you have questions or need additional information please consult the MVDB [website](#) where there is a comprehensive section on Dealer Advertising as well as the laws, regulations and guidance documents or contact the Motor Vehicle Dealer Board in Richmond, Virginia.

### 1.1.12 Dealer License Plates

A dealer plate must be attached to each vehicle owned or assigned to a dealer’s inventory while it is being driven on a public highway. The plate must be attached to the rear of vehicle, in the same location provided for license plates. See Chapter 1.8 for authorized use of dealer plates.

## 1.2 HOW TO OBTAIN AN ORIGINAL LICENSE CERTIFICATE

Refer to Virginia Code: § 46.2-1500 and the [How to Become a Virginia Motor Vehicle Dealer](#) section of the MVDB WEB site.

### 1.2.1 Who Needs a License Certificate

All of the below who wish to engage in business in Virginia must first obtain a License Certificate for each place of business they operate:

- Franchised Automobile/Truck, Motorcycle, Trailer and Recreational Vehicle Dealers
- Independent Automobile/Truck, Motorcycle, Trailer and Recreational Vehicle Dealers
- Supplemental Locations of all of the above

### 1.2.2 Period of Validity of License Certificate

A Dealer License Certificate is valid for either one or two years as selected by the applicant. All Dealer License Certificates will expire on the last day of the month of expiration.

### 1.2.3 Applying for Your Original Dealer License Certificate

Submit all necessary papers, forms and fees to the MVDB as one package.

### 1.2.4 ALL dealers must submit:

- A. Form [MVDB 10](#), “MOTOR VEHICLE DEALER LICENSE APPLICATION FOR INITIAL LICENSE/RENEWAL/CHANGE”.
- B. The one or the two-year fees for the license.
- C. Applicable assessment fees for the Motor Vehicle Transaction Recovery Fund or continuously maintain a bond and the [MVDB 2](#), “MOTOR VEHICLE DEALER BOND” form provided the applicant has not been subject of a claim against a bond or fund for three consecutive years.
- D. A copy of your Buyer’s Order form for approval as outlined in the Motor Vehicle Dealer Licensing Laws. If the dealer charges a processing fee or dealer business license tax, both fees must be identified and have a blank space for the amount of the fee to be listed on the Buyer’s Order.
- E. Application for any supplemental dealer license certificates.

- F. Form [DSD 7](#), "APPLICATION FOR CERTIFICATE OF QUALIFICATION/SALESPERSON'S LICENSE" with one or two year fees.
- G. Written proof of local zoning approval for the sale and display of motor vehicles must accompany the applications. Zoning official must complete and sign form [MVDB 19](#), "ZONING COMPLIANCE CERTIFICATION".
- H. Form [MVDB 21](#), "CRIMINAL HISTORY CHECK". **(REQUIRED of all applicants excluding Salvage applications)**

**1.2.5 Franchised Dealers must submit:**

- A. A copy of your franchise agreement or original letter with copy of the manufacturers or distributor's service agreement for each line-make of the vehicle you sell. All warranty work must be performed within a reasonable distance from the place of business.
- B. Application for salesperson's license for each person who will be operating as a salesperson (see Chapter 1.6 for information on salespersons license).

**1.2.6 Independent Vehicle Dealers:**

- A. An application for salesperson's license for each person who will be operating as a salesperson (see Chapter 1.6 for information on salespersons' licenses).

**1.2.7 Issuance of Your Dealer License Certificate**

If all aspects of your application and inspection meet requirements then a Dealer License Certificate and any supplemental licenses, certificates, and salespersons licenses will be delivered to you at the time of your opening inspection.

**1.2.8 Inspection by a MVDB Field Representative**

After you have applied for a dealer license certificate, a MVDB representative will come to your proposed business site and conduct an opening inspection. The representative will notify you ahead of time by phone of the date and time the inspection will take place.

In general, the following will be confirmed regarding your place of business during the inspection:

- A. A permanent building (cannot be a residence).
- B. At least 250 square feet of sales, service office space, and additional space to display at least 10 vehicles.
- C. A properly executed lease or document of ownership for your property.
- D. All local zoning requirements have been met.
- E. Desks, chairs, file cabinets(s), working telephone, internet connection, email address, working utilities, including electricity and heat and other facilities adequate to maintain records as required.
- F. Business hours posted at the front entrance for a minimum of twenty hours per week, ten of which must be between the hours of 9:00 a.m. and 5:00 p.m. Monday through Friday, except for used Manufactured Home Dealers only, without inventory; a minimum of two consecutive hours per week between 9:00am and 5:00 pm.
- G. A sign showing the "trading as" name with letters six inches in height.

- H. A sign, displayed in the public sales area showing the dealer processing fee (if any). The sign must be 8 ½ inches by 11 inches with lettering no smaller than one-half inch.
- I. When inspection is complete, the MVDB field investigator completes and files with the MVDB, Form MVDB-38, indicating if your location has passed inspection.

### **1.2.9 Denial or Revocation of License Certificate** (Virginia Code §46.2-1575)

Your Dealer License Certificate may be denied if your proposed business site fails inspection by the Motor Vehicle Dealer Board. In addition, a dealer's application may be denied or a Dealer's License Certificate may be revoked at any time after it is issued if the dealer commits any of the following:

- A. Makes a material misstatement or omission in application for License, Certificate of Registration or Certificate of Title.
- B. Fails to comply subsequent to receipt of written warning from the MVBD.
- C. Fails to have an established place of business as required, with minimum space of 250 square feet.
- D. Employment of fraudulent activity with respect to "retaking" a motor vehicle.
- E. Fails to have an individual who holds a valid certificate of qualification (dealer operators).
- F. Has been convicted of larceny of a vehicle or receipt or sale of a stolen vehicle.
- G. Has been convicted of odometer tampering or any related violation.
- H. Defrauds any retail buyer, to the buyer's damage, or any person in the conduct of the licensee's or registrant's business.
- I. Uses unfair methods of competition, or fraudulent or deceptive practices.
- J. Has been convicted of any fraudulent act in connection with the business of selling vehicles or any consumer-related fraud.
- K. Uses untrue, misleading or deceptive advertising.
- L. Has been convicted of any criminal act involving the business of selling vehicles.
- M. Willfully fails to comply with any lawful rule of DMV or any provision of the Motor Vehicle Licensing Act, Title 46.2, VA Code.
- N. Leases, rents, or lends or otherwise allows the use of a dealer license plate by persons not authorized under Title 46.2, VA Code has been convicted of a felony.

### **1.2.10 Reapplying After a Denial of License Certificate** (Virginia Code §§46.2-1514)

If you were denied a dealer license certificate because your proposed business site failed to pass inspection, you may make all the required improvements and re-apply for a dealer license certificate for that same site after waiting at least 30 days.

In the event any licensee intends to change a licensed location, a thirty day written notice is required. When you reapply, you must submit a completed [MVDB 10](#), "MOTOR VEHICLE DEALER LICENSE APPLICATION FOR INITIAL LICENSE/RENEWAL/CHANGE", [MVDB 19](#), "ZONING COMPLIANCE CERTIFICATION", and submit prorated certificate fees if the change is to a new jurisdiction.

### 1.2.11 Renewing Your Dealer License Certificate

See Chapter 1.7 for Information on how to renew your Dealer License Certificate.

### 1.2.12 Requirements for Obtaining Dealer Licenses

All Franchised Dealers	All Independent Dealers
Application for Dealer License Certificate (MVDB 10) with Single or Two-Year Fee and Buyer's Order  Dealer Operator with valid Certificate of Qualification  Optional- dealer plates (MVDB 9)	Application for Dealer License Certificate (MVDB 10) with Single or Two-Year Fee and Buyer's Order  Dealer Operator with valid Independent Certificate of Qualification  Optional- dealer plates (MVDB 9)
Motor Vehicle Transaction Recovery Fund Assessment Fee of \$350  Obtain \$50,000 Bond	Motor Vehicle Transaction Recovery Fund Assessment Fee of \$350  Obtain \$50,000 Bond
Copy of Franchise Agreement from Manufacturer or Distributor that must include a current service agreement	N/A
Application for Salesperson License for each Salesperson you employ must have a valid Certificate of Qualification	Application for Salesperson License for each salesperson you employ must have a valid Certificate of Qualification

#### **Dealer License Requirements Notes:**

1. Foreign Motor Vehicle Dealers licensed in another state must submit the [MVDB 52](#), "NON-VIRGINIA MOTOR VEHICLE DEALER CERTIFICATE OF REGISTRATION INITIAL CERTIFICATE, RENEW, OR CHANGE APPLICATION", a copy of the home-state dealer certificate, and payment of the \$75.00 fee (including the \$60.00 Motor Vehicle Recovery Fund fee per Virginia Code §46.2-1527.1).
2. Watercraft Dealers licensed by the Department of Game and Inland Fisheries must submit a [MVDB 54](#), "MANUFACTURED HOME DEALER OR WATERCRAFT TRAILER DEALER CERTIFICATE OF REGISTRATION APPLICATION", a copy of the license issued by



Department of Game and Inland Fisheries (DGIF), and payment of the \$75.00 fee. An additional option is to request Dealer Plates by submitting a [MVDB 9](#), "DEALER PLATE APPLICATION".

3. Manufactured Home Dealers licensed by the Department of Housing and Community Development (HCD) must submit a [MVDB 54](#), "MANUFACTURED HOME DEALER OR WATERCRAFT TRAILER DEALER CERTIFICATE OF REGISTRATION APPLICATION", the \$75.00 fee, and a copy of their HCD license.

### **1.3 WHAT TO DO IF THE STATUS OF YOUR DEALERSHIP CHANGES**

(Virginia Code §46.2-1517)

#### **1.3.1 Registering Changes in Your Dealership**

When there are changes in your business ownership or operation, you must register the changes with MVDB as described below. In some cases you will be required to obtain and pay for an entirely new Dealer License Certificate. You will be issued a new or updated Dealer License Certificate as necessary.

**Note:** The changes listed refer to changes that affect your principal place of business.

#### **1.3.2 Adding a Partner**

Submit to MVDB a completed [MVDB 10](#), "MOTOR VEHICLE DEALER LICENSE APPLICATION FOR INITIAL LICENSE/RENEWAL/CHANGE" and the pro-rated certificate fee.

#### **1.3.3 Dropping a Partner**

If you drop a partner from your dealership, you must submit to MVDB a completed [MVDB 10](#), "MOTOR VEHICLE DEALER LICENSE APPLICATION FOR INITIAL LICENSE/RENEWAL/CHANGE".

#### **1.3.4 Changing the Ownership Status of Your Business**

Ownership of a business by individual or partnership is considered one type of ownership status, while ownership by a corporation is considered another type of ownership status. If you change from one ownership status to another, you must turn in your current Dealer License Certificate and all your dealer license plates and obtain new Dealer License Certificate and new dealer plates.

If there is a change in ownership, you must submit to MVDB:

- a. Form [MVDB 10](#), "MOTOR VEHICLE DEALER LICENSE APPLICATION FOR INITIAL LICENSE/RENEWAL/CHANGE" requesting a new dealer license certificate, along with the required fees.
- b. Assessment fee for the Motor Vehicle Transaction Recovery Fund.
- c. If you are franchised dealer, a copy of your franchise agreement or a letter from the manufacturer authorizing the sale of the motor vehicles and a copy of the current service agreement for each line- make of vehicle(s) you sell.
- d. Form [DSD 7](#), "APPLICATION FOR CERTIFICATE OF QUALIFICATION/SALESPERSON'S LICENSE" for each licensed salesperson along with the appropriate fees. All current salespersons licenses must be returned.

**If you desire dealer plates:**

Form [MVDB 9](#), "DEALER PLATE APPLICATION" requesting issuance of dealer plates, along with the required fee. See procedure Chapter 1.1.5 for the maximum number of Dealer plates issued.

### **1.3.5 Changing the "Trading As" Name of Your Business**

If you change the trade name under which you conduct business, you should submit to MVDB a completed [MVDB 10](#), "MOTOR VEHICLE DEALER LICENSE APPLICATION FOR INITIAL LICENSE/RENEWAL/CHANGE" (no fee is required) and a copy of the receipt from the clerk of the court for filing the name change.

### **1.3.6 Changing the Type of License/Endorsements**

You may maintain one or more of the following types of dealerships:

- a. Franchised car/truck, motorcycle, recreational vehicle, or trailer (May also sell used vehicles,)
- b. Independent car/truck, motorcycle, recreational vehicle, or trailer

If you change your license from one of these preceding types to another type of dealer or add endorsements you must submit to MVDB all old dealer plates and form [MVDB 9](#), "DEALER PLATE APPLICATION" or [DSD 9](#), "DRIVE-AWAY/OFFICE TRAILER PLATE APPLICATION" requesting exchange of dealer plates.

### **1.3.7 Changing the Location of Your Dealership**

You must obtain a new Dealer License Certificate when you move your dealership from one location to another. You must notify MVDB 30 days in advance and you must apply for a new Dealer License Certificate and submit to MVDB:

- a. Form [MVDB 10](#), "MOTOR VEHICLE DEALER LICENSE APPLICATION FOR INITIAL LICENSE/RENEWAL/CHANGE"
- b. Proof of proper zoning form [MVDB 19](#), "ZONING COMPLIANCE CERTIFICATION"

If the move locates your dealership in a different political subdivision (i.e. county, city, and town) you must:

- a. Pay the appropriate license fee
- b. Your new business site must be inspected. After you have applied for a new Dealer License Certificate, a MVDB field representative will come to your new business site and conduct an inspection. This inspection will be the same as an inspection performed for a newly established dealership. See paragraph 1.3.9 Inspection by a DMV or MVDB Inspector.

## **1.4 WHAT TO DO IF YOU GO OUT OF BUSINESS**

### **1.4.1 Canceling Your Dealer's License**

When you cease operation as a motor vehicle dealer in Virginia, you should complete all pending title and registration work. You must surrender to MVDB the following:

1. Your Dealer License Certificate;
2. All dealer license plates which have been issued to your dealership;
3. All current salespersons licenses of all salespersons that you employed;
4. All temporary license plates left in stock;
5. All VSA 27 forms, "Receipt for Money Paid for Transfer of License Plates" (commonly called a temporary registration receipt) remaining in stock;
6. If you are an "on-line" dealer: contact your vendor or DMV about surrendering metal plates and decals. The MVDB cannot collect these two items from you.

7. The former licensee shall continue to maintain and make available to DMV dealer records required by the Dealer Licensing Act.

#### **1.4.2 Inspection by a MVDB Field Representative**

When MVDB receives notice that you are going out of business, a MVDB representative will come to your place of business to conduct an inspection and insure compliance with DMV/MVDB regulations. After the inspection, the representatives will complete and file with MVDB Headquarters the form MVDB 25, "Record of Inspection for Cancellation".

#### **1.4.3 Credit Given on Exchange of Plate**

At the time you go out of business, you can receive credit on a prorated time basis for any dealer plates which you can exchange for private plates, provided the private plates will be issued in the same name that the dealer plates were issued in. This rule applies both to corporations and to individual owners. Exchange of dealer plates for private plates must be on a one-for-one basis. In order to exchange your dealer plates, you must:

- a. Return old dealer plates and registration cards
- b. Complete form [VSA 14](#), "VEHICLE REGISTRATION APPLICATION" (for private plates and registration)
- c. Pay appropriate fees and SUT

#### **1.4.4 No Refund Given On the Exchange of Plates**

You cannot receive a refund or any credit on dealer plates returned to DMV except those exchanged for private plates.

#### **1.4.5 Re-Establishing Your Dealership**

If you decide to re-establish your dealership, you must apply for an original Dealer License Certificate as if you were a newly organized dealership.

#### **1.4.6 Online Dealer Participants**

If you are an Online Dealer participant, you will need to notify your vendor and DMV's Dealer Services by letter that you are going out of business. The letter to DMV may be emailed to [dealerservices@dmv.virginia.gov](mailto:dealerservices@dmv.virginia.gov). DMV's Dealer Services will verify with your online vendor so that a closing report can be completed. Also, the dealership should contact their online dealer vendor with the closing date.

### **1.5 HOW TO OBTAIN A SUPPLEMENTAL DEALER LICENSE CERTIFICATE**

(VA Code: § 46.2-1516)

#### **1.5.1 Who Needs a Permanent Supplemental Dealer License Certificate**

Dealers who plan to operate a supplemental location (sales lot) less than 500 yards from a licensed location. A location further than 500 yards from a licensed location requires its own license. You may obtain a Supplemental Dealer License Certificate only if the parent dealership or principal place of business either holds or has applied for a valid dealer license.

#### **1.5.2 What Constitutes a Permanent "Supplemental" Location**

A permanent supplemental location is any location where you conduct business, which is:

- a. Less than 500 yards from your principal place of business.
- b. Any location that exceeds 500 yards is a separate principal place of business and must be licensed as such.
- c. If the premises are contiguous to the established place of business or is only separated by a public thoroughfare, a supplemental license is not required.

- d. Complies with all local ordinances (zoning) and requirements.
- e. Displays a sign as required for an established place of business.

### **1.5.3 Period of Validity of License Certificate**

- a. A permanent supplemental dealer license certificate is valid for a period of up to two years. All license certificates will expire on the last day of the month of expiration.
- b. A permanent supplemental license will expire on the same date as the expiration of the licensed location it is associated with.

### **1.5.4 Applying for Your Permanent Supplemental Dealer License Certificate**

You should submit to MVDB as appropriate:

- a. Form [MVDB 22](#), "Supplemental Sales Application FOR TEMPORARY OFF-SITE SALE OR PERMANENT SUPPLEMENTAL LICENSE" a minimum of fifteen days prior to sale for temporary supplemental
- b. License fee of \$40.00
- c. Proof of proper zoning

### **1.5.5 Inspection by an MVDB Field Investigator**

After you have applied for a Permanent Supplemental Dealer License, a MVDB field representative will come to your supplemental location to conduct an inspection. You will be notified ahead of time by phone of the date and time the inspection will take place. You are not required to maintain a permanent building; however, the Representative will check to ensure your location meets the following requirements:

- Proof of proper zoning.
- Executed lease or document of ownership of your property.
- Sign showing trade name with letters at least six inches high.

### **1.5.6 Issuance of Your Supplemental Dealer License**

If all aspects of your application and inspection meet the requirements, then MVDB will issue you a Permanent Supplemental Dealer License.

### **1.5.7 Licenses for Salespersons Employed at Your Supplemental Place of Business**

Any salespersons who work at your supplemental place of business must obtain their required licenses through your principal place of business.

### **1.5.8 Changes in the Status of Your Principal Business**

- a. When any change occurs in the ownership or operation of your principal business, you must record the changes with MVDB and obtain a new or updated license for each permanent supplemental location.
- b. The requirements pertaining to your principal business are listed in Chapter 1.3. In addition to meeting these requirements, you should complete and file with MVDB the form [MVDB 22](#), "Supplemental Sales Application FOR TEMPORARY OFF-SITE SALE OR PERMANENT SUPPLEMENTAL LICENSE" for each of your supplemental locations.
- c. You must pay the full or regular license fee for the supplemental location for changing the ownership status of the dealership (individual to corporation or vice versa).

There will only be a \$10 reprint fee concerning your supplemental location for:

- Changing the trade name of your business.
- Changing the type of your dealership.
- Changing the line makes sold by your franchised dealership.

### **1.5.9 Changing Location of a Supplemental Place of Business**

If you change the location of a supplemental dealer place of business, you must update your Permanent Supplemental Dealer License.

The supplemental location must be less than 500 yards from your principal location. You should submit the form [MVDB 22](#), "Supplemental Sales Application FOR TEMPORARY OFF-SITE SALE OR PERMANENT SUPPLEMENTAL LICENSE" to MVDB and a \$10 reprint fee.

Your new location will be inspected by an MVDB field representative.

### **1.5.10 Renewing Your Supplemental Dealer License Certificate**

See Chapter 1.6 for information on how to renew your Supplemental Dealer License.

### **1.5.11 Who Needs a Temporary Supplemental Dealer License Certificate**

Dealers who plan to operate an off-site sale need a Temporary Supplemental Dealer License Certificate.

### **1.5.12 What Constitutes a Temporary "Supplemental" Location**

A temporary supplemental location (oftentimes referred to as an "off-site sale") is any location where you conduct business, which is for:

- a. The sale of new motor vehicles for locations within the dealer's area of responsibility. However, a dealer may be issued a license for a location outside his area of responsibility provided permission is granted from the dealer whose area of responsibility is where the sale will take place.
- b. The sale of used motor vehicles within the county, city, or town in which the dealer is licensed or for a contiguous county, city, or town. However, a dealer may participate in locations outside these restrictions if the dealer provides a notice and invitation to participate in the sale to all licensed dealers in the jurisdiction of the sale 30 days prior to the date of the sale.

**Note:** Any such dealer accepting the invitation must also apply for a supplemental location license.

### **1.5.13 Period of Validity of a Temporary Supplemental Certificate**

- a. A period not to exceed seven days, or fourteen days for trailers and motorcycles.
- b. A temporary supplemental license may not be issued for the same jurisdiction for consecutive seven-day periods or consecutive fourteen day periods for motorcycles.

### **1.5.14 Applying for Your Temporary Supplemental Dealer License Certificate**

You should submit to MVDB as appropriate:

- a. Form [MVDB 22](#), "Supplemental Sales Application FOR TEMPORARY OFF-SITE SALE OR PERMANENT SUPPLEMENTAL LICENSE" (a minimum of fifteen days prior to the sale).
- b. License fee of \$40.00.
- c. Franchise dealers, for temporary supplemental license, must certify on form MVDB 22, that all franchise dealers of the same line-make in the area of responsibility of the proposed location do not oppose the issuance of a temporary supplemental license and that the manufacturer has approved of the sale.
- d. For the sale of used motor vehicles beyond the county, city, or town in which the dealer is licensed or for a contiguous county, city, or town, a copy of the notice and a list of the dealers to whom the notice was sent by certified mail, to all other dealers

licensed in the jurisdiction in which the sale will occur inviting those dealers to participate in the sale.

## **1.6 HOW TO OBTAIN A SALESPERSON'S LICENSE**

(VA Code: § 46.2-1512)

### **1.6.1 Who Needs a Salesperson's License**

Every person who sells or promotes the sale of vehicles in Virginia must obtain an individual license as a salesperson.

### **1.6.2 Period of Validity of License Certificate**

All salespersons' licenses expire on the last day of the month of expiration, which will correspond with the expiration of employer's dealer certificate.

### **1.6.3 Applying for Your Salesperson's License**

- A. Before you apply for a salesperson's license, you must first be employed by a licensed dealer.
- B. Each salesperson must be certified by holding a valid Certificate of Qualification. See Chapter 1.2 for additional Certificate of Qualification requirements.

To apply you should submit to MVDB (Applications are not accepted at CSC's)

1. [DSD 7](#), "APPLICATION FOR CERTIFICATE OF QUALIFICATION/SALESPERSON'S LICENSE".
2. Appropriate application fees.
3. [MVDB 21](#), "CRIMINAL HISTORY CHECK".

### **1.6.4 When You Change Employers**

If you change employers during the license year MVDB will transfer your license. You should submit:

- Your old salesperson license.
- [DSD 7](#), "APPLICATION FOR CERTIFICATE OF QUALIFICATION/SALESPERSON'S LICENSE" (indicate transfer status).
- \$30 fee.

### **1.6.5 Renewing Your Salesperson's License**

See Chapter 1.7 for information on how to renew your salesperson's license.

## **1.7 HOW TO RENEW ALL YOUR LICENSES**

(VA Code: §§ 46.2-1521 and 46.2-1530).

### **1.7.1 Renewal of Licenses if Necessary**

All business licenses and individual (salespersons or representative) licenses expire on the last day of the designated month of expiration. Therefore, you must renew these two types of licenses each year prior to expiration.

### **1.7.2 How Renewals Are Handled By MVDB**

- a. MVDB mails a renewal packet to you each year prior to expiration of your dealer license. This packet includes renewal forms for all licenses that you and your employees currently hold. Each form is preprinted with identifying information such as name and address.
- b. MVDB sends renewal forms to you as a packet; please return all forms as a packet. Applications are processed as a packet; processing your renewal is faster if all renewal applications pertaining to your business operation are sent in together.

- c. Dealer's license plates and salespersons licenses cannot be renewed prior to your dealer certificate being renewed.
- d. Please submit all applications and fees by the 15th day of the month of your expiration to allow sufficient time for processing.

### 1.7.3 Renewing Your Dealer License

MVDB includes in your renewal packet forms that are needed by your dealership.

- A. [DSD 7](#), "APPLICATION FOR CERTIFICATE OF QUALIFICATION/SALESPERSON'S LICENSE".
- B. [MVDB 9](#), "DEALER PLATE APPLICATION".
- C. [MVDB 10](#), "MOTOR VEHICLE DEALER LICENSE APPLICATION FOR INITIAL LICENSE/RENEWAL/CHANGE".
- D. [MVDB 22](#), "Supplemental Sales Application FOR TEMPORARY OFF-SITE SALE OR PERMANENT SUPPLEMENTAL LICENSE" (if applicable).
- E. Invoice.

To apply for renewal of your dealer license you must:

- 1. Check the forms sent to ensure you have all the necessary forms for your business.
- 2. Go to the Board's WEB site ([www.mvdb.virginia.gov](http://www.mvdb.virginia.gov)) for replacement forms.
- 3. Check all of the preprinted information for correctness. Complete the applicable form(s).
- 4. Submit to MVDB completed license application form(s).
- 5. Appropriate fees (renew for two years by doubling all license fees).

### 1.7.4 Renewing Your Individual License

MVDB includes in your renewal packet the [DSD 7](#), "APPLICATION FOR CERTIFICATE OF QUALIFICATION/SALESPERSON'S LICENSE" (one for each licensed employee).

- a. Check the forms sent and make sure you have an application for each salesperson; obtain blank forms from the Board's WEB site ([www.mvdb.virginia.gov](http://www.mvdb.virginia.gov)) if needed.
- b. Check preprinted identifying information for corrections-make any necessary corrections.
- c. Have salesperson complete DSD 7 and obtain proper signatures.
- d. Submit to MVDB the completed DSD 7 along with appropriate fees.

### 1.7.5 Failure to Renew Licenses

If you do not properly renew your dealer license certificate by the last day of your month of expiration, it will become unlawful for you to operate a dealership. If you wish to continue in business you must:

- a. Reapply for all business license certificates and pay the required fees in full.
- b. Reapply for dealer license plates and pay the required fees.
- c. Have any salespersons who have not renewed their license apply for a salesperson's license and pay the required fees in full.

**Note:** All dealers may renew up to 30 days after expiration upon payment of a late fee. You cannot sell any vehicles until you receive your new license.

## 1.8 PURPOSE & USES OF DEALER LICENSE PLATES

(VA Code: §§ 46.2-1546, 46.2-1547, and 46.2-1550)

### 1.8.1 Dealer Plates Available

All vehicles must be licensed and must display a valid license plate when driven on public roads or highways. Every dealer, before he commences to operate vehicles in his inventory for sale or

resale, shall apply to the Commissioner for a dealer's certificate of vehicle registration and license plates. These dealer plates may be used under specific regulated circumstances when vehicles owned or assigned to a dealer are being operated on public roads. Liability insurance or self-insurance certificate must be maintained on every dealer license plate assigned to the dealership as long as the plate remains valid.

### **1.8.2 Drive-Away Plates**

Unregistered and unlicensed vehicles may not be operated or moved on a public highway by a dealer by using Drive-Away plates.

### **1.8.3 Uses of Dealer Plates**

Dealer plates may not be used:

- On any service vehicle, wrecking cranes or tow trucks.
- On any vehicle not held in inventory for sale or resale.
- On a vehicle which the dealer leases, rents, or lends to anyone not permitted to use dealer plates.
- On vehicles used to deliver or transport other vehicles, portions of vehicles, vehicle components.
- Parts, accessories, fuel, or for any other business, on a vehicle of a type for which their use is not authorized.
- By spouses of employees or children of employees.

#### **Dealer Plates May be Used:**

1. On a vehicle in inventory for sale by dealer/operators, the dealer/operator's spouse and employees. Employee is defined as one who works at least 25 hours/week on a regular basis and is compensated.
2. On a dealer-owned vehicle when driven by:
  - a customer who is a bona fide prospective purchaser when accompanied by a licensed salesperson or with written permission form [DSD 27](#), "PERMISSION FOR USE OF DEALER'S LICENSE PLATES".
  - a customer whose own vehicle is being repaired by the dealer and has a DSD 27 in the vehicle at all times.
3. The dealer completes and issues [DSD 27](#), "PERMISSION FOR USE OF DEALER'S LICENSE PLATES" for 5 days only to the customer. The dealer keeps the duplicate on file at the dealership for a period of one (1) year. The customer must carry the completed DSD 27 while driving the vehicle on public highways.
4. No more than two successive DSD 27 forms may be issued to the same customer for the same vehicle.

### **1.8.4 Use of Dealer Promotional Plates**

1. The promotional design must be approved by the Commissioner and the plate may be used for general use.
2. The promotional plate may be used for special events such as parades, tournaments, etc.
3. Liability insurance must be maintained on each plate assigned.

Promotional plates may be used:

- On vehicles held for sale or resale in inventory.
- No more than 30 consecutive days for each event.



- A use or extended use of the plate must be approved by the Commissioner upon written request as outlined in Chapter 1.9.

## **1.9 HOW TO OBTAIN DEALER LICENSE PLATES**

### **1.9.1 Assignment of Letters & Numbers on Dealers Plates**

DMV assigns the letters and numbers on your dealer license plates according to the type of dealership you maintain.

### **1.9.2 Dealer Plates Furnished by DMV**

Dealer plates are furnished only to businesses that hold a valid dealer license.

### **1.9.3 Period of Validity**

Dealer plates are valid from the date of purchase until the last day of your month of expiration.

### **1.9.4 Fees**

Pro-rated fee charts can be found on the [MVDB 9](#), "DEALER PLATE APPLICATION" and the [DSD 9](#), "DRIVE-AWAY/OFFICE TRAILER PLATE APPLICATION".

### **1.9.5 Minimum Initial Purchase Required**

The first time you purchase dealer plates in any license year you must buy a minimum of two plates. Refer to Chapter 1.1.5 for the maximum number of dealer plates which may be purchased.

### **1.9.6 Applying for Dealer Plates**

To apply for dealer plates, you should submit to DMV/MVDB:

- Completed [MVDB 9](#), "DEALER PLATE APPLICATION" to MVDB or completed [DSD 9](#), "DRIVE-AWAY/OFFICE TRAILER PLATE APPLICATION" to DMV.
- Appropriate fee are reflected on the application forms.

### **1.9.7 Applying for Additional Plates**

If you wish to apply for additional dealer plates during the license year, you should submit to DMV/MVDB:

- Completed [MVDB 9](#), "DEALER PLATE APPLICATION" to MVDB or completed [DSD 9](#), "DRIVE-AWAY/OFFICE TRAILER PLATE APPLICATION" to DMV.
- Appropriate fee are reflected on the application forms.

### **1.9.8 If You Wish to Reserve Special Plates**

The letter prefix on your dealer plates is determined by the types of vehicles that your dealership offers for sale. However, you may request that one or more specific license plate numbers be reserved for you.

A fee, in addition to the regular plate fee, will be charged for each reserved plate. The reserved plate fee, like the regular plate fee, is prorated according to the number of months remaining in the current registration period, which may be up two years. Contact the MVDB to determine if a particular plate is available and the additional fee.

### **1.9.9 Reissue of Plates**

If any of your dealer plates or decals are lost, stolen, destroyed or mutilated you may receive replacement plate(s) or decals for a fee. To apply for reissue, you should submit to MVDB:

- a. [MVDB 9](#), "DEALER PLATE APPLICATION".
- b. The appropriate fee(s).

Once a replacement plate is issued, the original plate becomes invalid. If you happen to recover an original dealer plate, you may not use it nor request a second reissue on it. You must return it to MVDB.

#### **1.9.10 Exchange of Plates/Decals**

If you change the type of your dealership, and this causes a change in the letter prefix on the dealer plates you use, you must exchange your old plates for new ones bearing the correct prefix.

You should submit to MVDB all old dealer plates and a completed [MVDB 9](#), "DEALER PLATE APPLICATION".

#### **1.9.11 Change in Corporate Status of Business Invalidates Plates**

If ownership of your business is by an individual or partnership and changes to ownership by a corporation, or vice versa, your old dealer plates may not be used by the new business.

In order to obtain valid dealer plates, you must:

- a. Return all old plates to MVDB. You may not receive credit for or a refund for the unexpired plates.
- b. Apply for new dealer plates, just as if you were establishing a new dealership.

#### **1.9.12 Registration Card Furnished with Dealer Plates**

DMV issues a registration card with each dealer plate purchased by your business. The registration card indicates that the corresponding dealer plate is registered to your business and shows the type of your dealership, the makes of the vehicles you carry, and your dealer certificate number.

#### **1.9.13 Use of the Registration Card**

Drivers must carry the registration card at all times in the vehicle for which the corresponding dealer plate is being used. If a registration card is lost or destroyed, a reissue is available for a fee of \$2.00 by contacting MVDB.

#### **1.9.14 Liability Insurance Requirement**

You must carry the minimum limits of liability on each dealer plate and maintain liability insurance as long as the plate remains valid. If liability insurance is not maintained, dealer plates must be surrendered.

#### **1.9.15 How to Obtain Dealer Promotional Plates**

- A. Submit a written request on a [DSD 9A](#), "PERMANENT/TEMPORARY DEALER PROMOTIONAL PLATES APPLICATION" from the dealership to MVDB, along with promotional materials, giving the name of the event and time frame.
- B. Request permission for the use of the plate, which may not exceed 30 consecutive days. An extension may be requested by submitting a DSD 9A and promotional material to support the extension.
- C. Upon receipt of the request for use of the promotional plate and proper verification of the special event, an authorization to use Promotional Plate will be sent to the dealer.

The authorization must be kept in the vehicle on which the license plate is displayed until the expiration of the authorization.

**NOTE:** Promotional plates will be prorated. Reissues are not authorized.

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## CHAPTER 2: TRANSACTING BUSINESS WITH DMV

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### 2.1 HOW TO ORDER FROM DMV

#### 2.1.1 Forms Listed on DSD 36

The [DSD 36](#), "Dealer Request for DMV Forms" is used to order forms from the DMV stockroom. Submit a completed DSD 36 to DMV when requesting DMV forms. No fee is required for DMV forms. Submit a completed DSD 36 to MVDB when requesting MVDB forms.

Indicate the quantity you desire for each form you request and mail, e-mail, or fax your request directly to the DMV/MVDB at the following addresses:

#### **Department of Motor Vehicles**

Stockroom Section  
P.O. Box 27412  
Richmond, VA 23269-0001  
Email: [purchasing@dmv.virginia.gov](mailto:purchasing@dmv.virginia.gov)  
Fax: (804) 367-1054

or

#### **Motor Vehicle Dealer Board**

2201 West Broad Street, Suite 104  
Richmond, VA 23220  
Email: [dboard@mvdv.virginia.gov](mailto:dboard@mvdv.virginia.gov)

#### 2.1.2 Forms Not Listed on DSD 36

To request any forms you may need which are NOT listed on the DSD 36, submit your request either by phone to (804) 367-0446 or fax to (804) 367-1054 at the DMV Central Office in Richmond, Virginia, or to the MVDB fax (804) 367-1053. The request should be on the dealership letterhead.

#### 2.1.3 Small Quantities of Any Form

If you need only a small quantity of forms, you may obtain them on request from any DMV CSC.

**Note:** Not all forms are available at a DMV CSC.

### 2.2 YOUR CONTACT WITH DMV/MVDB

#### 2.2.1 Transacting Business with DMV/MVDB

When you need to transact business with DMV/MVDB, you may do so either by mail or in person.

Generally, you can save time coming in person to the proper DMV location (as explained below). Unless there are very unusual circumstances, any business you may wish to conduct can be completed while you wait. If it is more convenient for you to conduct your business by mail, you should allow at least two weeks for processing time.

#### 2.2.2 How to Save Time

It is very important when dealing with DMV/MVDB by mail that you use the correct mailing address, including the proper department, which will process your particular transaction. DMV is a large organization, with many diverse functions. If a mailed request for service is addressed and delivered to the wrong internal department, many days can be wasted while the request is logged in, separated, identified, and sent along to its proper destination. An incorrect or incomplete address may add as much as two weeks to the time required for routine processing.

### 2.2.3 Where to Submit Your Requests

Not all of your transactions can be processed by the same location or department within DMV. For each type of transaction you wish to perform, you should submit all necessary papers, forms, and fees to one of the locations listed below (Be sure to include proper departments name when submitting by mail). You may submit your **application** to:

**Department of Motor Vehicles**

Dealer Services  
P.O. BOX 27412  
Richmond, VA 23269-0001  
Email: [dealerservices@dmv.virginia.gov](mailto:dealerservices@dmv.virginia.gov)

or

**Motor Vehicle Dealer Board**

2201 West Broad Street, Suite 104  
Richmond, VA 23220  
Email: [dboard@mvdv.virginia.gov](mailto:dboard@mvdv.virginia.gov)

To request any of the **forms**, you should submit your request on a completed DSD 36 Form, by Fax to (804) 367-1054. Forms may also be ordered by phone (804) 367-0446. If you need only a small quantity of any forms, you may obtain most forms by request from any DMV CSC. To submit your request for **forms** by mail:

**Department of Motor Vehicles**

Stockroom Section  
P.O. Box 27412  
Richmond, VA 23269-0001  
Email: [purchasing@dmv.virginia.gov](mailto:purchasing@dmv.virginia.gov)

This manual is designed to answer most of you questions concerning DMV's requirements and procedures as they apply to dealers.

If you have a question not answered by the information included in this manual, or if you need additional instructions, you may contact your DMV Customer Contact Center for title and registration information or contact the Dealer Services Section at the DMV Central Office or the Motor Vehicle Dealer Board in Richmond for dealer license information.

### Temporary License Plates or Temporary Registration Receipts

**Department of Motor Vehicles**

Dealer Services  
P.O. BOX 27412  
Richmond, VA 23269-0001  
Email: [dealerservices@dmv.virginia.gov](mailto:dealerservices@dmv.virginia.gov)

or

**Motor Vehicle Dealer Board**

2201 West Broad Street, Suite 104  
Richmond, VA 23220  
Email: [dboard@mvdv.virginia.gov](mailto:dboard@mvdv.virginia.gov)

### Title & Registration Applications for Your Customers

You may submit applications to the Titling Work Center at the DMV Central Office in Richmond. You may also submit your application to any DMV CSC.

**Department of Motor Vehicles**

Attn: Titling Work Center, Room 320  
P.O. Box 27412  
Richmond, VA 23269-0001

### 2.2.4 If You Have Questions

If you have a question not answered by the information included in this manual, or if you need additional instructions, you may contact your DMV CSC for title and registration information or

contact the Dealer Services Section at the DMV Central Office in Richmond (804) 367-0901, or the Motor Vehicle Dealer Board (804) 367-1100 for dealer license information.

## 2.3 YOU MAY ACT ON BEHALF OF YOUR CUSTOMER

### 2.3.1 Completing DMV Forms

The individual citizen or company who legally owns the vehicle is responsible for obtaining the proper title and registration for the vehicle and for complying with all applicable Virginia laws and DMV regulations. The citizen himself may deal directly with DMV and may provide all the necessary paperwork concerning his motor vehicle. (The only exception to their practice is when you issue temporary license plates on an uninsured motor vehicle.)

However many dealers, as a convenience for their customers, act as an agent for their customer. As a dealer, you may advise and assist your customer in filling out the forms required by DMV. You may even fill out the form for the customer, providing he or she signs the form wherever his signature is required.

You may collect DMV fees and submit paperwork and fees to DMV on the customers' behalf.

### 2.3.2 Power of Attorney (PoA)

The Power of Attorney to Sign for Owner When Registering and/or Transferring Ownership of a Motor Vehicle", (VAD 70A) is a three-part, secure power of attorney form only used by dealerships. **The VAD 70A shall only be used when the title is lost or in the possession of a lienholder.**

If your customers wish you to handle all DMV transactions necessary to complete the transfer of ownership or registration and licensing of a motor vehicle, including any required owner signatures and the title or MSO is not available the customer will need to complete the VAD 70A. The customer must disclose the odometer reading on the numbered, three-part, secure power of attorney form, "Power of Attorney to Sign For Owner When Registering and/or Transferring Ownership of a Motor Vehicle", (VAD 70A).

If a dealership needs a replacement title for a title that they have lost, the customer will need to complete the "Authorized Representative Designation" section on the back of the [VSA 67](#), "Application For Replacement and Substitute Titles".

**Note:** Power of Attorney VAD 70A is a federal legal requirement (49 CFR Part 580). It is federal law that determines the limited circumstances for when a VAD 70A may be used. DMV understands the hardship that the limited VAD 70A usage puts on dealers. However, we must comply with federal law and cannot accept a VAD 70A unless the title was lost or held by a lienholder.

Dealers and DMV often refer to the VAD 70A as the "pink PoA" to distinguish it from the [VSA 70](#), "Power of Attorney to Sign for Owner", which is often called the "white PoA" or "short PoA". **Dealers cannot use the VSA 70 to sign for their customer in any circumstance.**

### 2.3.3 Ordering the Power of Attorney (PoA) VAD 70A

The VAD 70A is a secure, controlled document that must be ordered from the dealer trade associations: [Virginia Automobile Dealers Association](#) (VADA) or [Virginia Independent Automobile Dealers Association](#) (VIADA). It cannot be obtained from DMV.

### 2.3.4 Receiving Processed Titles & Licenses from DMV

You may submit applications for your customer:

- In person to any DMV Select Office (also called license agents), CSC or Dealer Center.  
**Note:** Online dealers cannot have work processed at a DMV Select Office, but may still use a CSC or Dealer Center.
- By mail to the:

**Department of Motor Vehicles**  
Attn: Titling Work Center, Room 302  
P.O. Box 27412  
Richmond, VA 23269-0001

**Note:** Work received by mail or from a license agent will be returned to your customer by mail.

### 2.3.5 Processing Fees

You may decide to charge your customer a processing fee for obtaining title and license plates for the customer or other customer services. The processing fee charged by the dealer, if any, must be listed on the buyer's order. In addition, the dealer must disclose the fee charged by placing a clear and conspicuous sign in the public area of the dealership. The sign shall be eight and one half inches by eleven inches (8 ½ x 11) and print no smaller than one-half inch. While not required, it might be useful to list on the sign the items covered by the processing fee. Any fee you charge is **not required by DMV**, and **you must not represent it as such to your customer**.

### 2.3.6 Online Dealers Only

DMV's contract with DMV licensed dealers provides that dealer agree not to charge customers any fees for filling out a DMV application or for other services pertaining to DMV transactions. A processing fee may be included, provided it is to cover consumer services other than those, which relate to DMV. The fee charged by your vendor for the online transaction **must** be charged to the customer and be printed as a line item on the buyer's order.

## 2.4 OBTAINING & MAINTAINING A SUPPLY OF TEMPORARY TRANSPORT PLATES

(VA Code: §§ 46.2-1550.1; 46.2-1550.2; 46.2-1550.3; 46.2-1551; 46.2-1552.1; 46.2-1557.1)

### 2.4.1 What is a Temporary Transport Plate?

Temporary transport license plates may be either a cardboard plate or a synthetic paper plate created through the [Print-on-Demand](#) program.

- The cardboard plate has a license number consisting of a letter prefix, followed by a six-digit number. The color of the plate is green lettering against a white background. In addition, a temporary transport plate has been designed for motorcycles. A prefix of U has been designated to the motorcycle temporary transport plates.
- The synthetic paper plate has a license plate number that consists of a five-digit number and a single letter prefix or suffix.
- A temporary transport plate is valid for five calendar days from the date of issue.

### 2.4.2 When to Issue Temporary Transport Plate

You may issue a temporary transport license plate if any of the following circumstances applies:

- A. To transport a vehicle between properties owned or controlled by the same dealership.

- B. To transport the vehicle for repairs, painting or installing parts or accessories.
- C. To transport the vehicle for demonstration of traded-in vehicles for which the dealer does not have appropriate dealer license plates.
- D. To transport a vehicle from a motor vehicle auction or other point of purchase or sale.

### 2.4.3 Provisions & Restrictions

- A. A "5-Day Transport Certificate", [DSD 5A](#) is filled out and authorized by the dealer for temporary transport plates to be issued and used on vehicles for resale.
- B. Indicates why the plate is being used, in the appropriate check box.
- C. Indicates the assigned operator's name and address.
- D. Shows the vehicle's year, make, and VIN.
- E. Shows the issue and expiration date.
- F. Must be kept in the immediate possession of the person operating the vehicle at all times.
- G. An office record of which temporary transport plate number has been issued.
- H. The dealer's copy of the form must be filed and kept at the dealership for a period of five years.
- I. The plates are valid for five days (120 hours).
- J. The dealer cannot extend the expiration of a temporary transport plate.
- K. The dealer cannot loan temporary transport plates to customers or other dealers.
- L. The dealer must issue temporary transport plates in sequence.
- M. The dealer must provide proper liability insurance on all temporary transport plates or is allowed to pay the uninsured motor vehicle fee.

### 2.4.4 How to Complete the Temporary Transport Plate

When the dealer fills in the information required on the face of the cardboard temporary transport license plate, use a permanent waterproof broad point felt-tip marker. DMV supplies one temporary transport plate for each vehicle (not a pair). The following information is required:

- A. Date the plates are issued.
- B. Date the plates expire (five days from issue date).
- C. Make and model year of the vehicle.
- D. Identification number (VIN) of the vehicle.
- E. Dealership "trading as" name.

**Note:** Synthetic paper temporary transport license plates are automatically filled out by the system.

### 2.4.5 How to Order Cardboard Temporary Transport Plates

To obtain an order of cardboard temporary transport plates, you should submit to DMV or any DMV Customer Service Center:

- A. Completed [DSD 4](#), "Dealer Application for 5-Day Transport Plates" indicating the type and number of plates requested.
- B. The dealer must order temporary transport plates in multiples of 10.



- C. Appropriate fee for the number of plates ordered.
- D. Payment must be by DEALERSHIP credit card or DEALERSHIP check **ONLY**.
- E. Driver license.

**NOTE:** Liability insurance or Uninsured Motor Vehicle Fee is required on all Temporary Transport Plates.

#### **2.4.6 Filling Your Order**

DMV processes your order for cardboard temporary transport plates and sends you a complete package containing the plates and all associated forms needed to issue and account for the plates. Specifically, the packet includes:

- A. Cardboard temporary transport plates.
- B. A supply of DSA 5A "5-Day Transport Certificate".
- C. A blank DSD 4 "Dealer Application for 5-Day Transport Plates".

#### **2.4.7 Dealer Verifies Shipment is Complete**

When you receive an order of cardboard temporary transport plates, check the contents of the packet carefully to insure that it contains:

- A. The correct number of plates ordered.
- B. A sufficient supply of all forms mentioned above.

If your order is incorrect or incomplete in any way, immediately notify DMV.

#### **2.4.8 Maintaining an Adequate Supply**

It is the dealership's responsibility to maintain an adequate supply of temporary transport plates. If ordered by mail, the new order should be submitted at least two weeks before you expect to run out of your current order.

#### **2.4.9 Refund for Unused Plates**

Refunds for unused plates are generally not allowed. DMV will not allow any credit or refund any money for unused temporary transport plates except in the following circumstances:

- A. When DMV discontinues your right to issue temporary transport plates because you have failed to comply with the Virginia Motorcycle Dealer Licensing Laws governing the issuance of temporary transport plates by a dealer.
- B. When your dealership goes out of business.

**NOTE:** At no time will DMV give a refund for opened packs of plates.

#### **2.4.10 How to Order Synthetic Paper for Temporary Transport Plates**

Please refer to the Chapter 9 Print-on-Demand section of this manual for information on ordering the synthetic paper.

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## CHAPTER 3: VEHICLE TITLING

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### 3.1 TITLING A VEHICLE

Below are different vehicle transaction that a dealership may need information on how to process. To retrieve the information you will need to hold Ctrl down and click on the blue.

#### 3.1.1 Titling a [New Vehicle](#)

**ONLINE DEALERS:** When titling and registering with new license plates or transferring plates with a renewal, edits in the transactions will only be invoked in the "pending" or "step one" edit transactions submitted. If a transaction is not flagged at that point, it will not be flagged in the subsequent "final" or "step four" edit of the update transaction.

If the "registration period/expiration date" edit is invoked and an error generated, the online dealer will receive the following messages [the messages will also be returned when the vendor passes the fee, based on a different registration period (such as either one or two years) than the two-month period required due to a SR22 or FR44 insurance verification requirement]:

**"V1131 REGISTRATION LIMITED TO TWO MONTHS – FUTURE EXP DT IS "mmyy":** Where "mmyy" will be the month and year expiration of the registration period (such as "0309" for March, 2009 expiration).

The following message will be returned to the online dealer when the vehicle is titled and registration transferred with a renewal for a customer with a requirement for a SR22 or FR44. This message will be sent so that the dealer does not allow the customer to leave with decals allowing more than two months of validity, then discover the situation for the first time upon processing of the renewal transaction afterwards.

**"V1133 TRANSACTION PROCESSED, 2-MONTH REG RENEWAL ALLOWED, FUTURE EXP "mmyy":** Where "mmyy" will be the month and year expiration of the registration period (such as "0309" for a March, 2009 expiration).

When metal plates are not available the dealership will need to issue a Print on Demand 30 day temporary tag. They do not need to have the same expiration date as the metal tag registration (which is how it is now handled, **except** when SR22/FR44 processing is required where the metal plate registration will be two-months instead of one or two years).

#### 3.1.2 Titling a [New Manufactured Home](#)

##### DEALER

The dealer calculates and collects the Department of Housing and Community Development (DHCD) fee and the title fee, and amount of SUT due (using sale price and dealer processing fee if applicable), (see Chapter 4 for Information on fee calculation) and submits to DMV:

- A. Form [VSA 17B](#), "Application for Certificate of Title - Manufactured Home".
- B. Manufacturer's Statement/Certificate of Origin (MSO/MCO) for the vehicle.
- C. The appropriate fees.
- D. Form [VSA 5](#), "Odometer Disclosure Statement" if the odometer is not disclosed on the MSO/MCO.

**Note:** This is an Online Dealer transaction as well.

## 3.2 TITLING A USED VEHICLE

### 3.2.1 Possession of Valid Title Required for Sale of Any Used Vehicle in Virginia

- A. Any person (or dealer) who sells or trades a used vehicle in Virginia must obtain a valid title for the vehicle. This includes Auto Recyclers, Salvage Pools, and Vehicle Removal Operators.
- B. If the vehicle is titled in Virginia and the Certificate of Title has been lost or destroyed, the owner must obtain a duplicate Virginia title from DMV before the sale can be completed.
- C. If the vehicle is titled in another state and the owner was issued a title document, which has since been lost or destroyed, then the vehicle owner must obtain a duplicate title from the issuing state before the sale can be completed. (See Chapter 3.4 for information on how to obtain a duplicate title)
- D. If ownership of the vehicle is recorded in a non-title state (the state did not issue a title the same time the owner originally purchased the vehicle), the owner must submit appropriate proof of ownership to DMV and obtain a Virginia title in his name before the sale can be completed. (See Chapter 3.3)

#### 3.2.2.1 Used Vehicle Sold by One Dealership

##### PREVIOUS OWNER

The previous owner of the vehicle completes and signs section A, "Assignment of Title by Owner" of the Certificate of Title (VSA 3) and gives the title to the dealer.

##### DEALER

The vehicle dealer takes the following actions:

- Receives vehicle in trade or purchases used vehicle.
- Verifies the odometer reading on the vehicle.
- Signs Section A on the front of the Certificate of Title, "Assignment of Title by Owner" as the purchaser.
- Sells vehicle to retail purchaser.
- Fills out Section B on the reverse of the title, "Dealer Reassignment" and has purchaser complete and sign, verifying odometer reading.
- Fills in any pertinent lien information. There are various versions of the Virginia title in circulation and the exact section for the lien information varies depending on the title's version.
- Ensures that the purchaser completes the "Certification of Buyer" section, including proper signatures. Again the exact section varies depending on the title's version, but it is usually the last section.
- Calculates the amount due for the sales and use tax (SUT) using the sale price and dealer processing fee if applicable. Calculates the title fee and registration fee. (See Chapter 6.2 for Emissions Inspection Fee information if applicable. See Chapter 4 for information on fee calculation)
- Collects the fees from the purchaser.
- Submits to DMV:
  - 1) The old title with the appropriate sections completed.
  - 2) Appropriate fees and taxes.
  - 3) Bill of sale/buyer's order.

- 4) Any additional forms that were used (e.g., the VAD 70A secure power of attorney – “pink PoA”).
- 5) Odometer Disclosure Statement (VSA-5), ONLY IF A NON- CONFORMING TITLE (title has no place for odometer disclosure).

**NOTES:**

1. If applicant requests a Special plate, collect additional fee in addition to regular registration fee.
2. If title is not in hand, submit all other paperwork, fees and taxes and request a dealer hold. Deliver title to DMV as soon as possible as held titles do not print nor do they update the National Motor vehicle Titling Information System (NMVTIS). It is the dealer’s responsibility to deliver the title to DMV.
3. The dealer may choose to use a dealer re-assignment form (VAD 20) instead of completing Section B of the title. When using the VAD 20 be sure to enter the number of the VAD 20 and a note to see the attached VAD 20 in the reassignment area of the title. However, DMV **strongly encourages** using the reassignments on the title where possible.
4. A completed [VSA 17A](#), “Application for Certificate of Title and Registration” may be submitted instead of the buyer completing the “Certification of Buyer” on the title. However, **one or the other** must be submitted.

**3.2.2.2 Used Vehicle Sold by Two or More Dealerships Successively**

**PREVIOUS OWNER**

The previous owner of the vehicle fills out Section A, “Assignment of Title by Owner” of the Certificate of Title (VSA 3) and gives the title to the dealer. Dealer completes Section A, verifying odometer reading.

**FIRST DEALER TO ASSUME OWNERSHIP**

The first dealer to assume ownership of the vehicle fills out Section B on the reverse of the Certificate of Title, “Dealer Reassignment” and gives the title to the dealer who has purchased the vehicle from him. That dealer completes Section B at this time, verifying odometer reading.

**NOTES:**

1. The dealer may choose to use a dealer re-assignment form (VAD 20) instead of completing Section B of the title. When using the VAD 20 be sure to enter the number of the VAD 20 and a note to see the attached VAD 20 in the reassignment area of the title. However, DMV **strongly encourages** using the reassignments on the title where possible.

**SECOND AND ALL OTHER DEALERS TO ASSUME OWNERSHIP**

Each successive dealer to assume ownership of the vehicle completes the first unused dealer reassignment section of the title or a VAD 20, “Re-Assignment of Title by Virginia Motor Vehicle Dealer” and gives this form, along with the title, to the dealer who has purchased the vehicle. While dealers may use a VAD 20 when there are open reassignments on the title, DMV **strongly encourages** using the reassignments on the title where possible.

If applicable, a dealer may use the same VAD 20 previously used with the vehicle’s title or begin a new VAD 20. However, once there are three re-assignments completed on VAD 20 forms the dealer must obtain a title in his name even if there is a blank dealer re-assignment on the title. All papers pertaining to re-assignment of title must be kept together and given to the next purchaser.

When a VAD 20 is first used be sure to enter the number of the VAD 20 and a note to see the attached VAD 20 in the reassignment area of the title or elsewhere on the reverse of the title if all reassignments are filled out. If you used a VAD 20 and the title was unavailable, then be sure to enter this information once you receive the title.

### DEALER WHO MAKES RETAIL SALE OF THE VEHICLE TO A CUSTOMER

The dealer who sells the vehicle to a retail purchaser takes the following actions:

- Executes assignments and odometer disclosure certification on the previous title or dealer reassignment.
- Ensures that the purchaser completes and signs the [VSA 17A](#), "Application for Certificate of Title and Registration". NOTE: If applicant requests a Special Plate, collect the additional fee in addition to regular registration fee.
- Verifies that the lien information section of the VSA 17A has been completed correctly, and corrects any errors or omissions. Please complete a new VSA 17A if there was an error on the form. DMV **CANNOT** accept any forms with white-out or where information has been crossed out.
- Calculates the amount due for the sales and use tax (SUT) using the sale price and dealer processing fee if applicable. Calculates the title fee and registration fee. (See Chapter 6.2 for Emissions Inspection Fee information if applicable. See Chapter 4 for information on fee calculation)
- Ensures the odometer certification on the VSA 17A matches that on the title certificate or most recent dealer reassignment and that the title and any reassignments are accurate and complete.
- Collects the fees and taxes from the purchaser.
- Submits to DMV **within 30 days of the sale date** and includes:
  - 1) The old title with the appropriate sections completed.
  - 2) Appropriate fees and taxes.
  - 3) Bill of sale/buyer's order.
  - 4) Any additional forms that were used (e.g., the VAD 70A secure power of attorney – "pink PoA").
  - 5) Odometer Disclosure Statement (VSA-5), ONLY IF A NON- CONFORMING TITLE (title has no place for odometer disclosure).

#### **NOTES:**

1. If applicant requests a Special plate, collect additional fee in addition to regular registration fee.
2. If title is not in hand, submit all other paperwork, fees and taxes and request a dealer hold. Deliver title to DMV as soon as possible as held titles do not print nor do they update the National Motor Vehicle Titling Information System (NMVTIS). It is the dealer's responsibility to deliver the title to DMV.

### **3.2.3 When the Previous Owner Holds an Out-of-State Title**

#### PREVIOUS OWNER

If the previous owner of the vehicle holds a valid, transferable title issued by another state, he completes the paperwork necessary for transfer of vehicle ownership as directed by instructions on the title document or by laws of the issuing state. This usually involves supplying required information including the odometer disclosure certification, and signatures on the title form. He then gives the assigned title along with any other paperwork, such as a lien release letter, to the dealer.

#### FIRST AND ALL OTHER VIRGINIA DEALERS TO ASSUME OWNERSHIP

The first and each successive Virginia dealer to assume ownership of the vehicle completes the valid, transferable out-of-state title with available space. If an out-of-state dealer has used a foreign state's supplemental reassignment form, the Virginia dealer, when reassigning is **strongly encouraged** to continue on that form and not add a Virginia Reassignment. If the last reassignment space has been used, a Virginia dealer may complete one block of a VAD-20,

“Re-assignment of Title by Virginia Motor Vehicle Dealer,” and give this form, along with the title, to the dealer who has purchased the vehicle from him.

**After three re-assignments on VAD-20 forms, a dealer must obtain title in the dealership’s name before he can sell the vehicle.** All papers pertaining to the reassignment of the title must be kept together and given to the next purchaser.

#### DEALER WHO MAKES RETAIL SALE OF THE VEHICLE TO A CUSTOMER

The dealer who sells the vehicle to a retail purchaser takes the following actions:

1. Executes assignments and odometer disclosure certification on the previous title or dealer reassignment.
2. Ensures that the purchaser completes and signs the [VSA 17A](#), “Application for Certificate of Title and Registration”. NOTE: If applicant requests a Special Plate, collect the additional fee in addition to regular registration fee.
3. Verifies that the lien information section of the VSA 17A has been completed correctly, and corrects any errors or omissions. Please complete a new VSA 17A if there was an error on the form. DMV **CANNOT** accept any forms with white-out or where information has been crossed out.
4. Calculates the amount due for the sales and use tax (SUT) using the sale price and dealer processing fee if applicable. Calculates the title fee and registration fee. (See Chapter 6.2 for Emissions Inspection Fee information if applicable. See Chapter 4 for information on fee calculation)
5. Collects the fees and taxes from the purchaser.
6. Submits to DMV **within 30 days of the sale date** and includes:
  - 1) The out-of-state title with the appropriate sections completed.
  - 2) Appropriate fees and taxes.
  - 3) Bill of sale/buyer’s order.
  - 4) Any additional forms that were used (e.g., the VAD 70A secure power of attorney – “pink PoA”).
  - 5) Odometer Disclosure Statement (VSA-5), ONLY IF A NON- CONFORMING TITLE (title has no place for odometer disclosure).

#### **Notes:**

1. If title is not in hand, submit all other paperwork, fees and taxes and request a dealer hold. Deliver title to DMV as soon as possible as held titles do not print nor do they update the National Motor vehicle Titling Information System (NMVTIS). It is the dealer’s responsibility to deliver the title to DMV.

#### **3.2.4 Titling a Used [Manufactured Home](#)**

When the dealer sells a used manufactured home, he should follow all the procedures and regulations that apply to the sale of a used vehicle. However, the purchaser’s application for a new title should be made on a [VSA 17B](#), “Application for Certificate of Title - Manufactured Home”.

The dealer should submit to DMV:

- The previous manufactured home title with Section A and any applicable reassignment sections completed.
- Any completed VAD 20 Forms, “Reassignment of Title by Virginia Motor Vehicle Dealer”, if applicable completed VSA 17B.
- Appropriate sales and use tax, processing fee, DHCD fee and title fee. (See Chapter 4 for information on fee calculation)

### 3.2.5 The VAD 20 Dealer Reassignment Form

The VAD 20, "Reassignment of Title by Virginia Motor Vehicle Dealer" is a secure form developed for use by Virginia dealers. The form is ONLY available through the dealer trade associations: [Virginia Automobile Dealers Association](#) (VADA) or [Virginia Independent Automobile Dealers Association](#) (VIADA). It cannot be obtained from DMV.

The VAD 20 is used when running out of reassignment space on a MCO/MSO or title and can ONLY be used by licensed dealers. The VAD 20 offers three additional dealer reassignments. The Virginia dealer named as the purchaser in the last reassignment on a VAD 20 **MUST** secure a Virginia title certificate in the dealer's name before reassigning the vehicle to another purchaser.

Once a VAD 20 is completed for a vehicle it is **STRONGLY ENCOURAGED** that subsequent dealers continue using that same VAD 20. This makes the paper trail easier to follow and helps ensure consistency and accuracy. However, dealers are allowed to use multiple VAD 20 forms regarding the same vehicle. A maximum of three VAD 20 dealer reassignments may be completed, either on the same VAD 20 or among two or three VAD 20 forms, before the vehicle must be retitled by the third dealer.

Dealer reassignments may be completed on a VAD 20 even though there are open reassignments on the title certificate. It is **STRONGLY ENCOURAGED** that dealers use the open reassignments on the title certificate before starting a VAD 20. This helps consumer confidence in odometer disclosure consistency by making the paper trail easier to follow. If you use a VAD 20 when there are open reassignments on the title, then you **MUST** write "VAD 20" and the VAD 20's red document number on the blank reassignment block. This indicates that the reassignment is on the VAD 20 rather than the title.

If an out-of-state dealer has used an out-of-state supplemental reassignment form, then Virginia dealers **SHOULD** continue using any blank reassignments on the out-of-state reassignment form before reassigning on a VAD 20.

All dealer reassignments must accompany their Virginia or out-of-state title.

## 3.3 APPLYING FOR VIRGINIA TITLE FOR VEHICLES PURCHASED FROM A NON-TITLE STATE

### 3.3.1 Applying for a Virginia Title for Vehicles Purchased from a Non-Title State

If you, as a dealer, purchase a vehicle from a non-title state and cannot obtain a valid title for the vehicle, then you must obtain a Virginia title in your dealership's name before you can sell or trade the vehicle in Virginia. At the time you purchase the vehicle, you must be certain that you obtain properly executed documents that will satisfy the Virginia DMV requirements for titling and prove that you are the legal and bona fide owner of the vehicle.

The same requirements apply to any of your customers who purchase a vehicle in non-title states. The customer must present acceptable proof of ownership and obtain a Virginia title in his name before he can sell or trade the vehicle in Virginia.

The documents that DMV requires as proof of ownership of vehicles purchased by dealers from non-title states are usually the buyer's order and prior owner's registration card (not expired or expired for less than 12 months). DMV may accept other documentation on a case-by-case basis. Those are the two documents most commonly accepted in these situations.

Trailers from non-title states may be processed at DMV CSCs and Dealer Centers or mailed in to DMV's Titling Work Center. They may NOT be processed at a DMV Select.

Motor vehicles from non-title states may NOT be processed at DMV CSCs, Dealer Centers, or DMV Selects. They may ONLY be processed by DMV's Titling Work Center at the following address:

**Department of Motor Vehicles**  
Attn: Titling Work Center, Room 320  
P.O. Box 27412  
Richmond, VA 23269-0001

### VEHICLE OWNER OR DEALER

The vehicle owner (or dealer) submits to DMV:

1. Form [VSA 17A](#), "Application for Certificate of Title and Registration".
2. Form [VSA 12](#), "Affidavit in Lieu of Title Certificate". **This form must be notarized.**
3. Documents acceptable as proof of ownership (for dealers: usually the buyer's order and prior owner's registration card).
4. Appropriate title fee and appropriate sales and use tax.
5. Appropriate registration fees, if vehicle is to be registered.

### **3.4 APPLYING FOR A [REPLACEMENT TITLE](#)**

#### **3.4.1 Vehicle Titled in another State**

If your customer's vehicle is titled in another state, it is his responsibility to contact the appropriate authority in that state and secure a valid replacement title in his name.

#### **3.4.2 Vehicle Titled in Virginia**

If your customer's vehicle is titled in Virginia, the vehicle owner (or dealer) submits to DMV:

- A completed VSA 67, "Application for Replacement and Substitute Titles".
- Appropriate fees.

If the title shows a lien and it has been satisfied, the vehicle owner/applicant must either have that title returned to the lienholder to be marked "lien satisfied" or obtain a letter of lien satisfaction from the lienholder. If the lien is electronic, a letter of satisfaction is insufficient. The electronic lienholder MUST release their lien electronically.

A replacement title with no lien against it will be delivered by DMV to either the vehicle owner or the dealer, provided he holds an appropriate Power of Attorney or is the authorized representative on the VSA 67. However, if the replacement title shows a lien, DMV must deliver the replacement title to the lienholder (either by mail or electronically).

### **3.5 NAME CHANGE**

When a customer sells or trades a vehicle to your dealership, the transaction must be conducted using the customer's present and legal name. If the customer's name has recently been changed for any reason (for example, by marriage, divorce, or court order), the title to his vehicle might show the previous name. When this situation occurs, the customer must either obtain a substitute title from DMV showing his or her present name before transferring ownership to the vehicle **or** sign over the title using the name listed on the title.



### 3.5.1 Obtain a New [Title Showing Name Change](#)

The vehicle owner submits to DMV:

- Current Virginia title.
- Appropriate fees.
- Evidence of legal name change.

Customer must come into a CSC to request a name change. DMV will then process the name change transaction, update the appropriate records, and issue a substitute title in the name of the purchaser.

### 3.5.2 Register Name Change Along with Transfer of Ownership

The vehicle owner submits to DMV:

- Current Certificate of Title.
- All necessary paperwork and signatures (as explained in Chapter 3.2).
- The appropriate fees.
- Evidence supporting the legal name change.

Customer must come into a CSC to request a name change. DMV will then process the name change transaction, update the appropriate records, and process the transfer of ownership transaction.

## 3.6 APPLYING TO RECORD A LIEN ON PREVIOUSLY ISSUED TITLE

### 3.6.1 Applying To [Record a First Lien When Omitted On Original Title Application](#)

Occasionally the lien information may be mistakenly left off a title application when it is submitted to DMV. The easiest way to fix this is to file a supplemental lien application with DMV. The vehicle owner (or dealer) submits to DMV:

- Form [VSA 66](#), "Application for Supplemental and Transfer Liens or Replacement and Substitute Titles" **signed by the customer.**
- Virginia title.
- The appropriate fees.

### 3.6.2 Correcting Lien Information after Submitting Transaction

Sometimes the lien information on the title application may have been incorrect. If the mistake is not caught before submitting the application to DMV, then the lienholder on the title application becomes the lienholder on the title record. To correct this the vehicle owner needs to obtain the title and a lien release from the lienholder. Once you have both of these you can follow the steps in Chapter 3.6.3 regarding a supplemental lien application.

If the lienholder on the title record will not cooperate, then it is a civil matter for the vehicle owner and lienholder to sort out. DMV cannot get involved in such situations.

## ONLINE DEALERS

Occasionally the lien information may be mistaken left off the title application when it is submitted to DMV or the incorrect lien information may have been entered into the online system. When an Online Dealer notices this mistake they should call the Online Dealer Work Center at (804) 367-2715. Depending on the exact circumstances of the transaction the Work Center may be able to update record with the correct information for the Online Dealer after obtaining copies of the paperwork demonstrating the error. Otherwise the Work Center can advise the Online Dealer on how best to get the error corrected.

### 3.6.3 Applying to Record a [Supplemental Lien on a Vehicle Title](#)

If a lien is already recorded against the vehicle title, the vehicle owner (or dealer) must obtain the title from the first lienholder. The owner or dealer then submits to DMV:

- Form [VSA 66](#), "Application for Supplemental and Transfer Liens or Replacement and Substitute Titles" **signed by the customer**.
- Virginia title.
- The appropriate fees.

After processing the transaction, DMV will issue a title showing the supplemental lien and mail the title to the lienholder of the first recorded lien.

## 3.7 APPLYING TO RECORD RELEASE OF LIEN

Please visit our [Liens on a Title](#) webpage for information on releasing a lien.

Please visit the "Lien Removal" section of our [Substitute Titles](#) webpage for some additional information.

## 3.8 APPLYING TO TRANSFER LIEN

Please visit the "Supplemental Lien or Transfer of Lien" section of our [Substitute Titles](#) webpage for some additional information.

## 3.9 OBTAINING A VEHICLE TITLE WHEN PREVIOUS TITLE IS NOT TRANSFERABLE

### 3.9.1 A Vehicle Sold by US Treasury Department or IRS

You, as a dealer, may purchase a vehicle from the Alcohol Tobacco and Firearms Unit of the U.S. Treasury (ATF) or the Internal Revenue Service (IRS). Or you may have a customer who obtained such a vehicle, and wishes to sell or trade it to your dealership. In either case, the vehicle owner must obtain a valid Virginia title for the vehicle from DMV.

#### VEHICLE OWNER OR DEALER:

The owner of a vehicle sold by the ATF or IRS submits to DMV the following:

1. A completed [VSA 17](#), "Application for Certificate of Title and Registration" showing all pertinent lien information.
2. Certificate of Sale of Seized Property (IRS Form [2435](#)) unless being titled to the IRS or ATF.
3. Odometer Statement IRS Form 9287 completed by federal authority.
4. Lien release for existing lien(s), if lien has been satisfied.
5. Appropriate motor vehicle sales and use tax, title fee and registration fee if applicable. (See Chapter 6.2 for Emissions Inspection Fee information if applicable. See Chapter 4 for information on fee calculation)

### 3.9.2 A Vehicle Seized & Sold by a Court

You, as a dealer, may purchase a vehicle from the seized and sold by a court under due process of law. Or you may have a customer who obtained such a vehicle, and wishes to sell or trade it to your dealership. In either case, the vehicle owner must obtain a valid Virginia title for the vehicle from DMV.

#### VEHICLE OWNER OR DEALER:

The owner of a vehicle sold by the court under due process of law submits to DMV the following:

1. A completed [VSA 17](#), "Application for Certificate of Title and Registration" showing all pertinent lien information.

2. Official Notification of Seizure Release from VA locality or out-of-state locality.
3. Copy of the bill of sale or buyer's order.
4. A completed [VSA 5](#), "Odometer Disclosure Statement" completed by an officer of the court.
5. Lien release for existing lien(s), if lien has been satisfied.
6. Appropriate motor vehicle sales and use tax, title fee and registration fee if applicable. (See Chapter 6.2 for Emissions Inspection Fee information if applicable. See Chapter 4 for information on fee calculation)

### **3.9.3 A Vehicle Seized & Sold by a Law Enforcement Agency**

You, as a dealer, may purchase a vehicle from the seized and sold by a law enforcement agency. Or you may have a customer who obtained such a vehicle, and wishes to sell or trade it to your dealership. In either case, the vehicle owner must obtain a valid Virginia title for the vehicle from DMV.

#### VEHICLE OWNER OR DEALER:

The owner of a vehicle seized and sold by a law enforcement agency submits to DMV the following:

1. A completed [VSA 17](#), "Application for Certificate of Title and Registration" showing all pertinent lien information.
2. A completed form [VSA 62](#), "Report of Levied and Seized Vehicle".
3. A completed [VSA 5](#), "Odometer Disclosure Statement" completed by an officer of the court.
4. Lien release for existing lien(s), if lien has been satisfied.
5. Appropriate motor vehicle sales and use tax, title fee and registration fee if applicable. (See Chapter 6.2 for Emissions Inspection Fee information if applicable. See Chapter 4 for information on fee calculation)

### **3.9.4 A Vehicle Seized & Sold for Locality Tax Collection**

You, as a dealer, may purchase a vehicle from the seized and sold by a locality to satisfy unpaid personal property taxes. Or you may have a customer who obtained such a vehicle, and wishes to sell or trade it to your dealership. In either case, the vehicle owner must obtain a valid Virginia title for the vehicle from DMV.

#### VEHICLE OWNER OR DEALER:

The owner of a vehicle seized and sold by a locality to satisfy unpaid personal property taxes submits to DMV the following:

1. A completed [VSA 17](#), "Application for Certificate of Title and Registration" showing all pertinent lien information.
2. A completed and notarized form [VSA 80](#), "Locality Tax Collection Affidavit of Sale of Levied and Seized Vehicle for Compliance with Virginia Code §§ 46.2-617, 58.1-3942" with attached lienholder notification(s) of intent to sell vehicles.
3. If the "Vehicle Sale Information" section of the VSA 80 is not complete, then a bill of sale or buyer's order.
4. Appropriate motor vehicle sales and use tax, title fee and registration fee if applicable. (See Chapter 6.2 for Emissions Inspection Fee information if applicable. See Chapter 4 for information on fee calculation)

### **3.9.5 A Vehicle Awarded by a Court**

The owner of a vehicle that was awarded to him may obtain a valid title for the vehicle by submitting to DMV:

1. Title assigned to the owner unless otherwise provided in the court order.

2. If the owner does not have a title, then a completed and notarized form [VSA 12](#), "Affidavit in Lieu of Title Certificate" along with any other proof of ownership documents supporting rights of ownership (e.g., tax receipts, lien satisfaction, contract marked paid, etc.) unless otherwise provided in the court order.
3. A completed [VSA 17](#), "Application for Certificate of Title and Registration" showing all pertinent lien information.
4. Copy of the court order directing DMV to transfer ownership.
5. Appropriate motor vehicle sales and use tax, title fee and registration fee if applicable. (See Chapter 6.2 for Emissions Inspection Fee information if applicable. See Chapter 4 for information on fee calculation)

### **3.9.6 A Vehicle Purchased under Provisions of Mechanic's or Storage Lien (MSL)**

Please visit our [Mechanic's or Storage Lien \(MSL\)](#) webpage for information on vehicles from the MSL process.

### **3.9.7 A Vehicle Purchased under Provisions of Abandoned Vehicle Process (AVP)**

Please visit our [Abandoned Vehicle Process \(AVP\)](#) webpage for information on vehicles from the AVP process.

### **3.9.8 A Vehicle Repossessed Under Provision of Recorded Lien**

Please visit our [Titling a Repossessed Vehicle](#) webpage for information on the repossession process.

## **3.10 DEALER HELD: OBTAINING A TITLE WHEN DEALERSHIP CANNOT PROVE EVIDENCE OF OWNERSHIP**

Virginia law requires dealers to title sold vehicles within 30 days. However, there are times when dealers have inadequate or missing supporting documentation to complete the titling process within those 30 days (e.g., waiting on the prior state's title, for the lienholder to release the lien and title, etc.). DMV allows dealers to apply for the title without all their supporting documentation to meet their 30 day requirement. DMV will place a "dealer held" that stops the new title from printing until the dealer submits the correct supporting documentation.

### DEALER

1. Submits a completed [VSA 17](#), "Application for Certificate of Title and Registration" and a copy of the Bill of Sale/Buyer's Order.
2. Submits any additional forms that were used (e.g., the VAD 70A secure power of attorney – "pink PoA", VAD 20 dealer reassignment, etc.).
3. Pays the appropriate fees and taxes.

If a dealer held remains on the title record for 60 days, then DMV will mail a reminder letter to the dealer, lienholder, and customer to provide the evidence of ownership to release the Virginia title. If the dealer does not respond to the 60 day letter within 30 days, then a second reminder letter is mailed to the dealer, lienholder, and customer. A copy of this 90 day letter is also delivered to DMV's law enforcement for further action as needed.

## **3.11 TITLE & REGISTRATION FOR DIPLOMATS, STAFF ASSISTANTS & FAMILY MEMBERS**

The United States Department of State, Diplomatic Motor Vehicles Division is responsible for a full range of motor vehicle services for the foreign mission community. This program, which is administered in accordance with U.S. laws, regulates the acquisition, registration, and disposition of all motor vehicles belonging to foreign missions and their members. It verifies that mandated

insurance standards are maintained, ensures that members of the foreign mission community and their families are issued U.S. Department of State driver licenses, and monitors driving records to ensure unsafe drivers are removed from the road.

### **Registration and Titling**

- a. To fulfill the requirements of the Congressional mandates of the Foreign Missions Act of 1982, as amended in 1983, and to ensure that adequate liability insurance coverage is maintained, the U.S. Department of State requires that all vehicles owned, leased, or otherwise operated by a mission, its members, and dependents of such members must be registered with the Diplomatic Motor Vehicle Office (DMV), Office of Foreign Missions, U.S. Department of State, and must bear distinctive red, white and blue federal license plates.
- b. In order to properly register a vehicle, all original ownership documents (and a copy of the leasing agreement, if applicable) must be submitted at the time of registration to that office. All vehicles must be properly insured at or above the minimum liability limits listed (see Financial Responsibility for limits).
- c. Once the proper documentation for registration is received, the Department of State issues an appropriate registration card, license plates and decals valid for one year. The vehicle title is retained by the DMV until the owner applies for a title to sell, title to export, or terminates employment with the mission. If a lien exists on the vehicle, it is recorded and a lien title is sent to the lien holder to protect the interest of the financial institution. When the vehicle is leased, a U.S. Department of State lien title will be sent to the lessor showing the leasing company as owner of the vehicle and the lessee as registered lessee.
- d. When the diplomat decides to dispose of the vehicle, the diplomat applies for a title to sell or title to export the vehicle. When the vehicle is leased, a U.S. Department of State lease title will be issued for disposition only by the owner (lessor) at the termination of the leasing contract.
- e. Additionally, if payments are not made according to the loan or leasing agreement, the creditor has the right to repossess the vehicle. The Diplomatic Motor Vehicle Office, however, asks that they be contacted for information, instructions or assistance prior to repossessing any vehicle. They will be happy to help you in this situation in order to avoid any of violation of international law.

### **3.12 DUPLICATE MANUFACTURER'S CERTIFICATE/STATEMENT OF ORIGIN (MCO/MSO)**

If a dealer sells a new motor vehicle to a customer, but submits titling documents (MCO/MSO, VSA 17A) for a different vehicle, then the dealer must follow DMV's process to correct the titling error before being allowed to apply for a duplicate MCO/MSO.

If a dealer tries to correct the error by submitting a new transaction to title the correct vehicle in the customer's name without first correcting the incorrect record in DMV's system, then the customer will be required to assign the incorrect title back to the dealer, making that vehicle a "USED" vehicle and no longer eligible for titling from the MCO/MSO.

#### DEALER submits:

1. Completed [VSA 71](#), "CHANGE REGISTRATION-VIN-BUSINESS NAME APPLICATION" at a DMV Customer Service Center.
  - Provide the VIN for the correct vehicle in the VIN field.
2. MCO/MSO for the vehicle the customer actually purchased.

3. Incorrect Virginia title.
  - If the title has been issued to a lienholder, the dealer must contact the lienholder to have the title returned. The lender must acknowledge on their letterhead that there was a "substitution of collateral" for the original titled vehicle.
  - If the title has an e-lien, a stop or a held, and was never printed, the dealer will not have to submit the incorrect Virginia title.
4. Notarized statement from both the dealer and the customer(s) stating that the vehicle identification information provided for titling purposes was incorrect.
  - No SUT refund (if applicable) will be processed if the notarized statement is not submitted.
5. Copy of the Buyer's Order for the correct vehicle.
6. Completed [SUT 2](#), "Application for Refund of Sales and Use Tax" if refund of SUT is due.
  - If the SUT paid for the incorrect title documents was based on a higher sales price than the sales price for the correct vehicle, the customer will be due a refund of SUT paid based on the difference between the two vehicle prices.
7. Pay additional sales tax, if applicable.
  - If the SUT paid on the incorrect title documents was based on a lower sales price than the sales price for the correct vehicle, the dealer will be required to pay the SUT owed on the difference between the two vehicle prices.
8. Pay the [substitute title fee](#).
9. The dealer is now eligible to apply for a duplicate MCO/MSO for the vehicle that was incorrectly titled.

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## CHAPTER 4: VIRGINIA MOTOR VEHICLE SALES & USE TAX & TITLE FEES

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### 4.1 [VIRGINIA MOTOR VEHICLE SALES & USE TAX \(SUT\)](#)

#### 4.1.1 When the Dealer Must Collect SUT

When you act on behalf of your customer and file application for vehicle title, you will have to collect from the customer and submit to DMV the appropriate motor vehicle sales and use tax within 30 calendar days of the purchase date.

#### 4.1.2 SUT is Based on Sale Price of Vehicle

- VA Code § 58.1-2402 says that SUT is charged on “the sale price of each motor vehicle”.
- VA Code § 58.1-2401 details what is and is not included in sale price.
- The sale price is:
  - The total price paid for a motor vehicle and all attachments and accessories.
  - Includes any reduction in price shown on the invoice for a manufacturer's discount, manufacture's rebate, manufacturer's incentive payment, or dealer price discount since they directly reduce the sale price from the dealer to the consumer. SUT should not be collected on these price reductions or discounts.
- The sale price does not include any credit given by the dealer for a trade-in, unpaid lien or other unpaid claim against the vehicle. SUT should be collected on these credits.
- When a new owner assumes the payments on a debt obligation of the prior owner, SUT is assessed based on the unpaid balance of the debt in addition to any payment made to the prior owner.

#### 4.1.3 SUT & Dealer Processing Fee

VA Code § 58.1-2402 requires SUT be charged on any “[Dealer Processing Fee](#)” assessed by a dealer.

#### 4.1.4 Stated Sale Price must be Reasonable

If the sale price seems unreasonable when compared with the National Automobile Dealers Association Used Car Guide or similar publication, The DMV can require the owner to file the following as evidence of the purchase price:

- [SUT 1](#), “VEHICLE PRICE CERTIFICATION (VEHICLE MUST BE MORE THAN 5 YEARS OLD)”, or
- [SUT 1A](#), “AFFIDAVIT OF VEHICLE PURCHASE PRICE (VEHICLE MUST BE 5 YEARS OLD OR LESS)”, or
- The Buyer's Order.

#### 4.1.5. SUT Percentage

As of July 1, 2016 SUT is 4.15%. DMV will honor the old rate of 4.1% for sales prior to July 1, 2016 as long as they are titled before October 1, 2016. Vehicles titled after that date will be charged 4.15% SUT regardless of their sale dates.

#### 4.1.6 How to Calculate the SUT

Calculate SUT as follows: actual vehicle sales price and dealer processing fee (if applicable) X 0.0415 = amount due for SUT. Examples:

- \$10,000 purchase price with no processing fee:  $\$10,000 \times .0415 = \$415$  SUT.
- \$10,000 purchase price with a \$250 processing fee:  $\$10,000 + \$250 = \$10,250 \times .0415 = \$425.38$  SUT.
- \$33,800 purchase price with a \$499 processing fee and \$5,000 manufacturer's rebate:  $\$33,800 + \$499 = \$34,299 - \$5,000 = \$29,299 \times 0.415 = \$1,215.91$  SUT.

**Note:** No reduction of the sale price for calculating SUT is allowed for trade-in or any “over allowance” included as part of the trade-in.

#### **4.1.7 Refund for Tax Paid**

When a vehicle owner has already paid SUT but cannot present adequate evidence of payment at the time he applies to title the vehicle, he must pay the full amount of tax due to Virginia. If within three years of the date the title is issued the owner can present evidence of an earlier payment for tax, a refund will be made. Applications for refunds can be made by completing and submitting the form [SUT 2](#), “APPLICATION FOR REFUND OF SALES AND USE TAX”.

Dealers also use the [SUT 2](#) to request a refund because of a lease buy-out or an erroneously titled vehicle. Please be as detailed as possible when explaining on the [SUT 2](#) why you are applying for an SUT refund.

Additionally dealers may use the [SUT 2A](#) “Refund of Sales and Use Tax Application and Affidavit Due To A Mechanical defect or Failure” for SUT refunds on “used” vehicles that were returned within 45 days of purchase because of a mechanical defect or failure. All four requirements on the [SUT 2A](#) application must be true to be eligible for the refund.

## **4.2 DMV TITLE FEE**

### **4.2.1 When the Dealer Must Collect the DMV Title Fee**

When you act on behalf of your customer and file the application for vehicle title, generally you must collect from the customer and submit to DMV the appropriate title fee, as listed below.

### **4.2.2 DMV Title Fee Chart**

Please refer to the [DMV 201](#), “DMV Fees” for the various title fees.

## **4.3 EXEMPTIONS FOR MOTOR VEHICLE SALES & USE TAX (SUT)**

There is a chart on the second page of the [SUT 3](#), “Purchaser’s Statement of Tax Exemption” that lists the various SUT exemptions. Whenever SUT is not required, the applicant must submit a completed [SUT 3](#) with an explanation of exemption.

For additional information or help regarding SUT exemptions please contact:

#### **Online Participants**

#### **Online Vehicle Programs Work Center**

Help Desk: (804) 367-2715

Email: [onlinevehicle@dmv.virginia.gov](mailto:onlinevehicle@dmv.virginia.gov)

#### **Non- Online Participants**

#### **Titling Work Center**

Customer Service: (804) 497-7100



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## CHAPTER 5: VEHICLE REGISTRATION & LICENSING

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### 5.1 OBTAINING AN OWNER'S REGISTRATION CARD & NEW LICENSE PLATES

#### 5.1.1 [Applying for Standard Series License Plates:](#)

- a. Vehicle owner must hold or apply for a Virginia title for the vehicle.
- b. Vehicle owner (or dealer) must submit a completed [VSA 14](#), "VEHICLE REGISTRATION APPLICATION" or [VSA 10](#), "LICENSE PLATE APPLICATION" when holding a Virginia title already or a completed [VSA 17A](#), "APPLICATION FOR CERTIFICATE OF TITLE AND REGISTRATION" when applying for a Virginia title and registration simultaneously.
- c. Appropriate standard registration fee for the vehicle and any other general fees if applicable (e.g., emissions inspection fee).
- d. Uninsured motorist fees if the vehicle is uninsured.

#### 5.1.2 [Applying for Reserved License Plates:](#)

- a. Vehicle owner must hold or apply for a Virginia title for the vehicle.
- b. Vehicle owner (or dealer) must submit a completed [VSA 14](#), "VEHICLE REGISTRATION APPLICATION" or [VSA 10](#), "LICENSE PLATE APPLICATION" when holding a Virginia title already or a completed [VSA 17A](#), "APPLICATION FOR CERTIFICATE OF TITLE AND REGISTRATION" when applying for a Virginia title and registration simultaneously.
- c. Appropriate standard registration fee for the vehicle and any other general fees if applicable (e.g., emissions inspection fee).
- d. Reserve license plate fee.
- e. Uninsured motorist fees if the vehicle is uninsured.

If the requested reserved license plate number is not available, DMV will notify the vehicle owner. The owner then may either choose a different reserved plate number or obtain a refund of the reserved plate fee.

#### 5.1.3 [Applying for Special Series License Plates](#)

The DMV makes several series of license plates available for use on vehicles owned by special interest groups. Contact the DMV Customer Contact Center at (804) 497-7100 for additional information.

- a. Vehicle owner must hold or apply for a Virginia title for the vehicle.
- b. Vehicle owner (or dealer) must submit a completed [VSA 14](#), "VEHICLE REGISTRATION APPLICATION" or [VSA 10](#), "LICENSE PLATE APPLICATION" when holding a Virginia title already or a completed [VSA 17A](#), "APPLICATION FOR CERTIFICATE OF TITLE AND REGISTRATION" when applying for a Virginia title and registration simultaneously.
- c. Appropriate standard registration fee for the vehicle and any other general fees if applicable (e.g., emissions inspection fee).
- d. Special license plate fee.
- e. Uninsured motorist fees if the vehicle is uninsured.

Click [this link to browse our selection](#) of over 200 unique plates.

### 5.2 OBTAINING AN OWNER'S REGISTRATION CARD & TRANSFERRING LICENSE PLATES

#### 5.2.1 [Applying to Transfer Vehicle License Plates](#)

- a. Vehicle owner must hold or apply for a Virginia title for the vehicle.
- b. Vehicle owner (or dealer) must submit a completed [VSA 14](#), "VEHICLE REGISTRATION APPLICATION" or [VSA 10](#), "LICENSE PLATE APPLICATION" when holding a Virginia title

already or a completed [VSA 17A](#), "APPLICATION FOR CERTIFICATE OF TITLE AND REGISTRATION" when applying for a Virginia title and transferring registration simultaneously.

- c. Appropriate fees.
- d. Uninsured motorist fees if the vehicle is uninsured.

### 5.3 APPLYING FOR REISSUE OF VEHICLE LICENSE PLATES

#### 5.3.1 [Applying for Reissue of Vehicle License Plates](#)

- a. Vehicle owner (or dealer) must submit a completed [VSA 14](#), "VEHICLE REGISTRATION APPLICATION".
- b. Appropriate fees.

### 5.4 APPLYING FOR EXCHANGE OF LICENSE PLATES

#### 5.4.1 Methods of Assigning Plates to a Loaned Vehicle

If you take a customer's vehicle into your shop for repairs and loan them one of your dealer-owned vehicles to drive you may either issue:

- 1. If a passenger vehicle, a [DSD 27](#), "PERMISSION FOR USE OF DEALER'S LICENSE PLATES" and use dealer plates on the vehicle (as described in Chapter 1.8).
- 2. If a cargo carrying vehicle (non-passenger), a [DSD 27A](#), "PERMISSION FOR USE OF DEALER OR TRANSPORT PLATE ON TRUCKS OR TRACTOR TRUCKS".

This permit is valid for a period of three days or 750 miles, whichever comes first and shall not be re-issued unless 60 days have passed since the expiration of the previous permit.

- 3. Issue a VSA 39, "LICENSED MOTOR VEHICLE DEALER REPAIR SHOP EMERGENCY PERMIT TO TRANSFER LICENSE PLATES TO A DEALER-OWNED VEHICLE WHILE THE CUSTOMER'S VEHICLE IS BEING REPAIRED" and use the customer's private plates on the vehicle as described in Chapter 5.5.1.

#### 5.4.2 Differences Between Using Dealer License Plates & Private License Plates

When you use dealer plates on a dealer-owned vehicle being used by a customer whose vehicle is being repaired by your shop your dealership's insurance policy covers the dealer-owned vehicle while it is in the customer's possession.

When you transfer the customer's license plates from the vehicle being repaired to the dealer-owned vehicle, the customer's insurance policy covers the dealer-owned vehicle while it is in the customer's possession.

### 5.5 APPLYING FOR EMERGENCY TRANSFER OR RENEWAL OF LICENSE PLATES

#### 5.5.1 Emergency Transfer or Renewal of License Plates Form

VA Code § 46.2-719 authorizes the use of license plates on a vehicle the plates are not registered to. DMV refers to this as an emergency transfer of license plates. The VSA 39, "LICENSED MOTOR VEHICLE DEALER REPAIR SHOP EMERGENCY PERMIT TO TRANSFER LICENSE PLATES TO A DEALER-OWNED VEHICLE WHILE THE CUSTOMER'S VEHICLE IS BEING REPAIRED" is the form used for this process.

Dealers use the VSA 39 to allow a customer to use their private plates on the dealer-owned vehicle when:

- a) The customer's vehicle is undergoing repairs in the dealer's repair shop, and
- b) The customer needs emergency transportation.

The VSA 39 is good as long as the emergency exists but no longer than 5 days from the date of issuance. If the emergency continues for more than 5 days, the dealer may issue a one-time only VSA 39 renewal for an additional 5 days.

The customer is responsible for insuring the vehicle while driving it rather than the dealer. The customer is required to carry the VSA 39 and the current registration card for their license plates at all times when operating the dealer-owned vehicle.

The VSA 39 is a pre-numbered carbon-set form. So this manual cannot link to an electronic or sample version of the form. Refer to Chapter 2.1.1 on how to order this form using the [DSD 36](#), "DEALER REQUEST FOR DMV FORMS".

### **5.5.2 Applying for Emergency Transfer of License Plates**

- a. Complete a VSA 39, "LICENSED MOTOR VEHICLE DEALER REPAIR SHOP EMERGENCY PERMIT TO TRANSFER LICENSE PLATES TO A DEALER-OWNED VEHICLE WHILE THE CUSTOMER'S VEHICLE IS BEING REPAIRED".
- b. File the duplicate copy at your dealership.
- c. Give original to vehicle owner.
- d. Advise the vehicle owner that their copy of the VSA 39 is proof of authority to transfer plates and must be carried while operating the vehicle along with the current registration card for their license plate.
- e. That the permit is valid for 5 days or until the repairs are completed, whichever comes first.
- f. The permit may be renewed **once** if the customer's vehicle is still undergoing repairs in your shop.
- g. A renewal, like the first permit, is valid for 5 days or until the repairs are completed, whichever comes first.

### **5.5.3 Applying for Renewal of Emergency Transfer of Plates**

- a. To apply for a renewal you must obtain the expiring original copy of the VSA 39 from the customer.
- b. Complete jointly with the vehicle owner a new VSA 39, checking the renewal box.

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## CHAPTER 6: UNINSURED MOTOR VEHICLE FEE, EMISSIONS INSPECTION FEE, & ONLINE FEE CALCULATOR

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### 6.1 [UNINSURED MOTOR VEHICLE \(UMV\) FEE](#)

#### 6.1.1 When the Dealer Must Collect the UMV Fee

The dealer must collect from their customer and submit to DMV the UMV fee (if it is required) whenever you act on behalf of your customer and file the application for the original vehicle license plates or the application to transfer plates.

#### 6.1.2 When the UMV Fee is Required

The owner of a motor vehicle must pay the UMV fee at the time he applies to license the vehicle when the following conditions exist:

- a. Vehicle is not currently insured under a policy which provides at least minimum coverage as required by law.
- b. The policy is not issued by a company licensed to do business in Virginia.

**NOTE:** DMV does not require a UMV fee on trailers, semi-trailers, or mopeds.

Please visit DMV's [Insurance Requirements](#) and [Uninsured Motor Vehicle Fee](#) webpages for more information on this topic.

#### 6.1.3 How to Calculate the UMV Fee

1. The UMV fee is \$500.00 fee annually or 1/12th of the fee for each month of registration if the original license period is less than 12 months.
2. If the plates were originally bought for less than one year, and prorated, then you should prorate the UMV fee in like manner.
3. If the plates are bought for an entire year, collect the entire applicable fee (even if the plates will be used on an uninsured vehicle for a portion of the year).

Examples:

- The UMV fee for a 1 year registration: \$500 UMV fee.
- The UMV fee for a prorated 11 month registration:  $\$500 / 12 \text{ months} = \$41.66666666666667$  per month \* 11 months registration = \$458.33 UMV fee.

**Note:** If you shorten the  $\$41.66666666666667$  to \$41.67 before multiplying by 11 months, then your fee will be incorrect because  $\$41.67 * 11 \text{ months} = \$458.37$  UMV fee. That's 4 cents short and DMV cannot waive that 4 cents.

- The UMV fee for a prorated 9 month registration:  $\$500 / 12 \text{ months} = \$41.66666666666667$  per month \* 9 months registration = \$375 UMV fee.

#### 6.1.4 Payment of the Uninsured Motorist Vehicle Fee Provides No Insurance

If you collect the UMV fee from one of your customers, you should advise them that their payment of the UMV fee in no way provides insurance coverage for them or the vehicle.

### 6.2 [EMISSIONS INSPECTION FEE](#)

#### 6.2.1 General Emissions Inspection Information

Vehicles must meet Virginia's emissions inspection requirements if it is garaged in one of the localities listed below:

- Counties of Arlington, Fairfax, Loudoun, Prince William, or Stafford
  - Cities of Alexandria, Fairfax, Falls Church, Manassas or Manassas Park
- A. If the vehicle is subject to an emissions inspection, collect an additional \$2.00 for a one-year (or \$4.00 for a two-year) original or renewal registrations. The Emissions Inspection Fee will be distributed to the Department of Environmental Quality (DEQ) to support air quality programs.
  - B. The Emissions Inspection Fee is not a registration fee. Collect the additional Emission Inspection Fee even when a registration fee is not required.
  - C. Types of plates that do not require the payment of registration fees include: Medal of Honor (MH), Federal, State & Local Government, and one issuance of Disabled Veterans (DV) or Prisoner of War (POW) plates.
  - D. The Emissions Inspection Fee is not prorated for less than one year. If the registration fee is prorated for less than a year, the Emissions Inspection Fee will not be collected. If the registration fee is pro-rated for between one and two years, collect a \$2.00 Emissions Inspection Fee.
  - E. Emissions inspection stations electronically update DMV vehicle records with test results immediately. When registering a vehicle, DMV will not ask for the emissions information unless the vehicle failed the test or the information has not been received from the inspection station.
  - F. A two-year registration is not available for vehicles in an emissions area that only have one year left on the emissions inspection.
  - G. A three-year registration may not be available for vehicles in an emissions area since they are subject to an every other year emissions inspect.

### **6.2.2 Emissions Exemption Information**

Some vehicles may be garaged in an emissions area, but be exempt from emissions. There are two main exemptions that dealers should be aware of.

1. First time titling exemption - New or demonstrator vehicles being titled for the first time are exempt from emissions inspections for 4 years from their titling date.
2. Model year exemption - Used vehicles of the current and three previous model years are exempt from emissions inspections for up to 4 years.

### **6.3 ONLINE FEE CALCULATOR**

DMV provides a courtesy online fee calculator at:

[http://www.dmv.virginia.gov/apps/fee\\_calc/Select\\_Transaction.aspx](http://www.dmv.virginia.gov/apps/fee_calc/Select_Transaction.aspx)

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## CHAPTER 7: DEALER FUNCTIONS & DUTIES

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### 7.1 [PRINT ON DEMAND \(PoD\) TEMPORARY LICENSE PLATES](#)

#### 7.1.1 What is a PoD Temporary License Plate?

- a. A PoD temporary license plate is a 30 day temporary plate that is printed on weather resistant paper at the dealership's location by using a DMV approved PoD program vendor. The PoD temporary plate is issued by a dealer to a customer for use on a newly purchased vehicle when, for various reasons, the customer is unable to obtain proper registration and license plates. You may choose to issue temporary plates as a convenience for your customers, although you are not required by DMV to do so.
- b. It is available in both regular and motorcycle sizes. It will be black print on a white background and may have a color or black & white logo on the left side of the plate. The tag will begin with a logo (can be DMV logo or a dealer's logo) followed by six alpha-numeric characters.
- c. Can only be printed on a laser printer that uses toner.
- d. The PoD temporary tag will also automatically print the VSA 01, "TEMPORARY CERTIFICATE OF REGISTRATION" on the bottom of the PoD 30 day temporary tag. There is a perforated line at the bottom of the PoD temporary tag to assist the dealership in separating the tag and registration.
- e. A temporary plate is valid for 30 calendar days from the date of issue. This allows time for the customer to obtain valid license plates from DMV or from the out-of-state jurisdiction where the vehicle is to be registered.
- f. If after 30 calendar days the dealer is still unable to furnish the evidence of ownership, then a second temporary plate may be issued for vehicles being titled and registered out-of-state ONLY. Permission is not required as long as the application for the PoD plate indicates an out-of-state titling and registration. For Virginia titled and registered vehicles, if the dealer does not have the ownership documents available for the VA customer, then the dealer can have a dealer held placed on the title record (refer to Chapter 3.10 for more details on dealer holds). That way the customer will be able to receive metal license plates.
- g. A third set can be issued for vehicles being titled and registered out-of-state. Permission is not required as long as the application for the PoD plate indicates an out-of-state titling and registration.

#### 7.1.2 Before Issuing Temporary License Plates

Before you can issue temporary license plates to one of your customers, you must determine whether the purchaser has a legally adequate liability insurance policy in effect covering his newly purchased vehicle.

### **7.1.3 Issuing PoD Temporary Plates for an Insured Vehicle**

If the purchaser does have an adequate policy, then either the purchaser must submit his application for title and license plates directly to DMV, or you, the dealer, may handle all DMV-related paperwork on the purchaser's behalf.

To issue the temporary plates, you must:

1. Be a participant of the Print on Demand (PoD) program.
2. Log into the PoD vendor's system.
3. Complete the PoD transaction.
4. Print the PoD 30 day temporary tag for the customer (these PoD tags must be printed by using a laser printer that uses toner).

### **7.1.4 Issuing Temporary Plates for an Uninsured Vehicle**

Refer to Chapter 6.1 for details on collecting the correct amount of Uninsured Motor Vehicle (UMV) Fee.

#### **7.1.4.1 If Vehicle is to be Titled in Virginia**

Dealer Responsibility (if the dealer is processing with DMV on the purchaser's behalf) – DMV requires you the dealer to:

- Submit all DMV related paperwork made necessary by the sale transaction, including title application and license plate application.
- Collect and submit to DMV all required fees including, the title and license fees, sales and use tax, and uninsured motor vehicle fee, within 30 days from the date of sale.
- The purchaser may submit his own applications and fees directly to DMV.

#### **7.1.4.2 Submitting Forms & Fees to DMV for an Uninsured Motor Vehicle (UMV)**

1. When issuing PoD temporary tags for a UMV the dealer must collect all DMV-required fees from the purchaser and submit to DMV all completed title and license plate applications on behalf of the purchaser.
2. The dealer should keep the title and license plate applications and all associated fees together and submit them to DMV as a packet.
3. Do not mail in the UMV fee separately. If you are waiting to receive a title from the previous owner of a vehicle, then you should hold the UMV fees and submit all the papers and fees together when you obtain the title.

#### **7.1.4.3 Dealer Responsibility for UMV Fee**

If you issue PoD temporary license plates for a UMV vehicle, then you are held responsible to DMV for the collection of the UMV fee. If you do not collect the fee on the day the PoD tags are issued or if you collect the fee but later lose or misplace it, you will be required to pay the applicable fee to DMV before DMV will process the title and license transaction for the customer.

## **7.2 ISSUING A TEMPORARY REGISTRATION RECEIPT**

### **7.2.1 What is a Temporary Registration Receipt**

- A. A temporary registration receipt is a DMV 3-part form (VSA 27) which you may use when your customer wishes to apply to transfer his private license plates from a previously owned vehicle to a newly purchased vehicle.
- B. You may choose to issue temporary registration receipts (VSA 27) as a benefit to those customers who are eligible, although you are not required by DMV to do so. When properly issued the VSA 27 gives the customer a legally recognized registration for his newly purchased and licensed vehicle.
- C. The customer's copy of the temporary registration receipt is valid either 30 days or until DMV processes his application for transfer of plates and registration and issues the customer a permanent registration card, whichever comes first.

### **7.2.2 Provisions & Restrictions Concerning Temporary Registration Receipts**

The VSA 27, "Receipt for Money Paid for Transfer of License Plates" (commonly called a temporary registration receipt) serves as:

- 1. An application for transfer of plates (instead of the usually required VSA 14),
- 2. A receipt for the plate transfer fee, and
- 3. A temporary registration card for the vehicle.

The dealer is not required to issue temporary registration receipts, although you may choose to do so as a convenience for your customers. If you do issue temporary registration receipts, it is your responsibility to:

- 1. Be sure the vehicle purchaser meets all DMV requirements to be eligible to transfer license plates from a previously owned vehicle to his newly purchased vehicle.
- 2. Temporary registration receipts are made available by DMV to your customers who are eligible for them. You cannot charge the customer a fee for the receipt.
- 3. You may issue a temporary registration receipt only on the date of the sale of the vehicle.
- 4. The receipts are valid for 30 calendar days from date of issue or until DMV processes his application for transfer of plates and registration and issues the customer a permanent registration card, whichever comes first.
- 5. You cannot issue a temporary registration receipt for a vehicle sold to an individual by another dealer, or for a vehicle sold directly by one individual to another.
- 6. You must have in your possession a valid title or a valid manufacturer's certificate of origin for the vehicle that you have reassigned to the purchaser.
- 7. The purchaser must have available, currently valid license plates to be transferred to the vehicle.
- 8. You cannot issue a temporary registration receipt if the purchaser needs a re-issue, renewal, or exchange of their present license plates from DMV until that has taken place.
- 9. You cannot issue a temporary registration receipt if the plates to be transferred are not registered in the name of the vehicle purchaser.



### 7.2.3 How to Issue a Temporary Registration Receipt

- a. Complete the VSA 27.
- b. Keep one copy of the VSA 27 for your records.
- c. Send one copy to DMV to request that the transfer of plates and registration of the newly purchased vehicle be processed and recorded in DMV's files.
- d. Give one copy to your customer. The customer's copy serves as authorized proof that the transfer of plates was conducted in a legal manner with the dealer acting as an agent of DMV.

## 7.3 SUT REFUNDS

Sales and use tax (SUT) becomes due at the time of sale. In most circumstances SUT is not refundable when the sale is cancelled or rescinded. SUT is refunded in the six reasons described on the [SUT 2](#), "APPLICATION FOR REFUND OF SALES AND USE TAX".

Additionally SUT may be refunded if a "used" vehicle is returned within 45 days of purchase due to a mechanical defect or failure, not pursuant to Virginia Motor Vehicle Warranty Enforcement Act (Lemon Law). In this case complete the [SUT 2A](#), "REFUND OF SALES AND USE TAX APPLICATION AND AFFIDAVIT DUE TO A MECHANICAL DEFECT OR FAILURE." Applicants must meet all four requirements on the application to be eligible for the SUT refund.

### 7.3.1 Applying For a Refund of DMV Fees

In order for your customer to get a refund on DMV fees because you erroneously titled a vehicle, the following steps should be taken:

- a. Obtain a notarized statement with the dealer and customer(s) stating that the vehicle identification information provided for titling purposes was incorrect, and
- b. Submit a completed [SUT 2](#), "APPLICATION FOR REFUND OF SALES AND USE TAX".

To apply for a refund of DMV fees because the vehicle was returned within 45 days of purchase due to a mechanical defect or failure, the following steps should be taken:

- a. Submit a completed [SUT 2A](#), "Refund of Sales and Use Tax Application and Affidavit Due To A Mechanical Defect or Failure" or
- b. Submit an affidavit stating: the vehicle was returned within 45 days of purchase because of mechanical defect or failure, purchase price was refunded, the title has been assigned to the seller accepting return of the vehicle, and the purchaser no longer has possession of the vehicle along with the [SUT 2A](#), "Refund of Sales and Use Tax Application and Affidavit Due To A Mechanical Defect or Failure."

All questions concerning refunds should be referred to the:

**Department of Motor Vehicles**  
Attn: Titling Work Center, Room 302  
P.O. Box 27412  
Richmond, VA 23269-0001  
Customer Service: (804) 497-7100

## 7.4 VIRGINIA ODOMETER LAWS

### 7.4.1 Odometer Reading Must be Reported on Certificate of Title

Any person, including dealers, that transfers ownership of a motor vehicle must record the odometer reading of the vehicle on the title. DMV will not issue a new title for the vehicle until the odometer reading has been recorded. It is illegal for any person to willfully record an incorrect reading on any documents.

#### 7.4.1.1 Penalty

Any person who is convicted of a violation of this law may be fined up to \$2,500, imprisoned for up to 12 months, or both.

### 7.4.2 Tampering with an Odometer is Prohibited

- a. It is illegal for any person to connect, change, or disconnect an odometer on a motor vehicle. It is also illegal for any person to sell a motor vehicle if he knows, or should reasonably know, that the odometer has been changed or tampered with to show a lower than true mileage unless the seller gives written notice to the purchaser before the sale.
- b. It is illegal for a person to advertise for sale, sell, or use any device designed to reset the odometer of a motor vehicle.

The law against odometer tampering does not apply in the following circumstances:

- When the odometer is reset following pre-delivery testing by the manufacturer prior to delivery to a dealer.
- When repair or replacement of an odometer is necessary.
  - The odometer must be set to show the actual accumulated mileage the vehicle has traveled; or the odometer shall be adjusted to read zero and a written notice shall be attached to the left door frame, specifying the mileage prior to the repair or replacement.
- Passenger vehicles having a capacity in excess of 15 persons.
- Trucks having a net weight in excess of 10,000 pounds.

#### 7.4.2.1 Penalty

Any person who is convicted of a violation of this law as a first offense may be fined up to \$10,000, imprisoned for up to 12 months, or both. Any person convicted of a subsequent offense may be fined up to \$50,000, imprisoned for between 1 to 5 years, or both.

### 7.4.3 If You Suspect a Violation of the Odometer Laws

If you suspect that an odometer has been tampered with, check for any evidence that would confirm suspicion. If the vehicle odometer shows less mileage than any of the prior records, then you should contact the Law Enforcement Services office at DMV headquarters. DMV will determine whether your evidence warrants further investigation and will take appropriate action.

Useful tips:

1. Check the glove compartment for an inspection receipt that indicates mileage.
2. Check the door edges for an oil-change record that indicates mileage.
3. Compare vehicle odometer with the odometer reading recorded on the vehicle's title.
4. Compare the vehicle odometer with odometer reading recorded of VAD 20 dealer reassignment.

#### **7.4.4 Odometer Exceptions**

You do not need to disclose the vehicle's odometer reading for any of the following types of motor vehicles:

1. Vehicles with a gross vehicle weight rating (GVWR) greater than 16,000 pounds.
2. Vehicles over 10 years old with an out-of-state title displaying "Exempt" or lacking an odometer reading.

While you do not need to disclose the vehicle's odometer reading for these vehicles, it is good practice to continue doing so if vehicle paperwork is still actual mileage. However, if you do not, then the odometer will need to reflect exempt on the reassignment and titling application VSA 17A.

#### **7.5 REQUIREMENTS CONCERNING MANUFACTURER'S CERTIFICATE OR STATEMENT OF ORIGIN (MCO/MSO)**

The terms MCO and MSO are used interchangeably.

##### **7.5.1 If a Franchised Dealer Sells a New Vehicle to Another Dealer**

When a franchised dealer sells a new vehicle to another dealer who handles a different line make of vehicle, the purchasing dealer must obtain a Certificate of Title in the dealership's name before the vehicle can be resold. The vehicle must then be sold as used.

**Exception:** If both dealers hold a franchise from the same manufacturer for the same line make of vehicle, the assigned MCO will take the place of a title in the dealership's name.

##### **7.5.2 Two-Stage Manufactured Vehicles**

DMV requires two manufacturer's MCOs or the chassis MCO and the National Highway Traffic Safety Administration (NHTSA) required door jamb sticker for the body, as proof of ownership on all two-stage manufactured vehicles. If your dealership sells these vehicles, you must be franchised by the second-stage manufacturer and you must obtain each manufacturer's MCO when you accept delivery on the vehicles. The purchaser must submit the MCOs when applying to DMV for title to his vehicle.

#### **7.6 REQUIREMENTS CONCERNING NEW MOTOR VEHICLE DAMAGE**

##### **7.6.1 When a Franchised Dealer Receives a New Motor Vehicle from the Manufacturer/Distributor with Damage, or with Damage to a New Motor Vehicle that Occurs Following Delivery of the Vehicle to the Dealer.**

On any new motor vehicle any uncorrected damage or any corrected damage exceeding three percent of the suggested retail price as defined in 15 U.S.C. Sections 1231-1233, as measured by retail repair costs, must be disclosed to the dealer in writing prior to delivery.

**Exceptions:** Factory mechanical repair and damage to glass, tires and bumpers is excluded from the three percent rule when properly replaced by identical manufacturers or distributors or distributor's original equipment or parts.

##### **7.6.2 Franchised Dealer**

When the manufacturer or distributor determines or arranges transportation of the new vehicles, and a vehicle is damaged prior to delivering the dealership, the dealer shall:

- a. Notify the manufacturer or distributor of such damage within three business days from the

date of delivery of such new motor vehicle to the new motor vehicle dealership or within the additional time as specified in the franchise agreement.

- b. Request from the manufacturer or distributor authorization to replace the components, parts and accessories damaged or otherwise correct the damage, unless the damage to the vehicle exceeds the three percent rule, in which case the dealer may reject the vehicle within three business days.
- c. If the manufacturer or distributor refuses or fails to authorize correction of such damage within 10 days after receipt of notification, or if the dealer rejects the vehicle because damage exceeds the three percent rule, ownership of the new motor vehicle shall revert to the manufacturer or distributor, and the new motor vehicle dealer shall have no obligation, financial or otherwise, with respect to such motor vehicle.
- d. Should the manufacturer, distributor or dealer elect to correct such damage or any other damage exceeding the three percent rule, full disclosure shall be made by the dealer in writing to the buyer. An acknowledgement by the buyer is required. If there is less than three percent damage, no disclosure is required, provided the damage has been corrected. Pre-delivery mechanical work shall not require a disclosure.
- e. Failure to disclose any corrected damage, within the knowledge of the selling dealer, to a new motor vehicle in excess of the three percent rule, shall constitute grounds for revocation of the buyer's order, provided that within 30 days of purchase the motor vehicle is returned to the dealer with an accompanying written notice of the grounds of the revocation. In case of revocation pursuant to § 46.2-1571, VA Code , the dealer shall accept the vehicle and refund any payments made to the dealer in connection with the transaction, less a reasonable allowance for the customer's use of the vehicle as defined in § 59.1-207.11, VA Code.

## **7.7 RETENTION OF DEALER RECORDS**

### **7.7.1 DEALER & DEALER/OPERATOR**

#### **7.7.1.1 Dealer Certificate/License to Operate**

Dealers are required to retain a copy of their dealer certificate or the current registration period only. All dealer records must be maintained for a period of five years and must be kept at the dealer's licensed location.

#### **7.7.1.2 Employment/Personnel**

Dealers are required to retain all employment records for salespersons etc., including any original applications for employment for a period of five years. A dealer must retain employment records for individuals no longer in their employment, and must include the beginning and ending dates of employment. Dealers must maintain records of the number of hours per week that each employee works or worked during the time they were employed by the dealership. An official record of compensation for these hours, such as a copy of a W-2 Form, is suitable proof. Please note that ALL salespersons must be issued a W-2.

### **7.7.1.3 Vehicle Inventory**

Dealers must retain lists of all vehicles in their inventory for sale, resale and consignment as well as all consignment contracts and records of purchases, sales, and trades for a period of five years. The buyer's order for each vehicle must also be retained for five years, and must include the following information:

1. Year
2. Model
3. Make
4. Vehicle Identification Number (VIN)
5. Purchase date
6. Date received in inventory
7. Date of sale or trade
8. Name and address of dealer and purchaser
9. Sale price
10. Amount of deposit and amount
11. Credit for trade-in
12. Processing fee (if any)

Salvage Dealers are required to retain the same records as required on the buyer's order for any late model vehicle plus:

1. Name and address of the seller
2. Signature of the licensee and seller as executed at the time of purchase, exchange, or acquisition of the vehicle
3. Photocopy of the seller's driver's license, state ID card, US military ID card, or any other form of personal ID with photograph
4. Digital photograph of the seller, along with the vehicle that he is selling or exchanging
5. Title number
6. State of issuance
7. Motor number, if applicable
8. Name and address of purchaser
9. VIN of vehicle from which any major component part is taken
10. Bill of sale for any major component part sold

### **7.7.1.4 Collection/Fees**

Dealers must retain itemized records for each vehicle of all SUT, fees collected for titling and registration, UMV fees, and any additional processing fees for a period of five years. The DMV Investigator / MVDB Field Representative may request any Buyer's Order/Bill of Sale to verify collection of fees noted above.

### **7.7.1.5 Odometer Disclosure**

Federal law requires that dealers retain odometer disclosure statements for a period of five years. Retained documents containing a disclosure statement for a vehicle's odometer reading may include:

- Copy of title or MCO with disclosure
- Copy of VSA 5 odometer disclosure form accompanied by the MCO
- Copy of secure power of attorney (VAD 70A) with disclosure
- Copy of dealer reassignment (VAD 20) form with disclosure

#### **7.7.1.6 Temporary License Plates**

Dealers must retain records of all transport tags consigned to and issued by the dealership for a period of five (5) years (not applicable if participating in the PoD program). They must also retain copies of the [DSD 5A](#), "5-DAY TRANSPORT CERTIFICATE" for a period of five years. The DMV Investigator / MVDB field Representative may refer to these forms.

**NOTE:** The Print on Demand (PoD) program will store the necessary information for the dealership for tags printed through PoD.

#### **7.7.1.7 Metal Plates**

- Dealers must retain a permanent record of all dealers' registration plates assigned them. Dealers may retain the second part of two-part registration as a permanent record. The first part must be kept by the operator whenever driving a vehicle bearing a dealer's metal license plate.
- Dealers must also retain a written record of all motor vehicles on which each dealer license plate is used. The record must contain the full identification of the vehicle including make, year, model, VIN number, and all dates on which the dealer license plates were used on the vehicles.
- Dealers must retain records pertaining to liability insurance for all dealer license plates assigned to them.

**NOTE:** The DMV Investigator may require the dealer to show where registration cards, or appropriate list of registrations, are maintained for possible review.

#### **7.7.1.8 DSD-27 Permission to Use Dealer's License Plates**

Dealers must retain copies of all [DSD 27 forms](#), "PERMISSION FOR USE OF DEALER'S LICENSE PLATES" issued by the dealership for a period of five years.

#### **7.7.1.9 Promotional License Plate**

Dealers must retain a copy of the Commissioner's authorization for use of Promotional License Plates for a period of five years.

#### **7.7.1.10 Dealer Advertisement**

Dealers must keep an original or clear copy of all advertisements for a period of 60 days.

#### **7.7.1.11 Law Enforcement**

A dealer's failure to comply with these procedures may result in charges for a Class 1 misdemeanor, civil penalties and/or license revocation/suspension.

#### **7.7.1.12 Record of Dealer's Vehicle Inventory**

Dealers must keep records for all vehicles in inventory as outlined in § 46.2-1529, [VA Code](#).

#### **7.7.1.13 Consignment Vehicles**

Dealers must keep all original consignment contracts for a period of five years.

### **7.8 GUIDELINES FOR MVDB DEALERS WHO WISH TO STORE RECORDS OFF-SITE**

All dealers are required to keep the originals or a copy of all original records at the site (dealership) of origination for 12 months. After 12 months, they can be stored at another location. See below for criteria on where and how they can be stored.

- Upon request, the MVDB Executive Director may exempt a dealer from the requirement to keep the originals or a copy of the originals at the originating dealership when the location for the offsite storage is no further than five miles from the originating dealer.
- Upon request, the MVDB Executive Director may exempt a dealer from the requirement to keep the originals or copies of the originals at the originating dealership when an electronic system is in place that allows immediate retrieval of documents imaged or otherwise maintained in electronic format at the site where they originated.

Online dealers who own multiple dealerships and prefer to process all online transactions in a central location have five business days to return the original documents or a copy to the originating dealership once the online transaction is completed. The original or a copy must be stored at the dealership for 12 months.

Requirements for records stored off-site include the following:

- The dealer must provide, in writing, the address where the records will be stored.
- Records must be stored in Virginia and may not be stored in a residence.
- Records must be available without notice to the MVDB, Monday through Friday, 9am to 5pm.
- Upon request, records must be shipped to the originating dealership within five business days.
- Records must be retrievable by dealer number (i.e., all deal jackets from dealer 1224 for a given time period).

Dealers must notify the MVDB in writing if they wish to store their records off-site as described in these guidelines. If the Board has any questions or believes the dealer should not be authorized to store records offsite, the Board staff will contact the dealer within two weeks of receiving the request. If the dealer does not hear from the Board within 15 days of mailing the request to the Board, the request is automatically granted.

Any dealer found not in compliance with these guidelines could be subject to sanctions to include civil penalties, suspension or revocation or be required to keep all records on-site for the required five years.

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## CHAPTER 8: MOTOR VEHICLE TRANSACTION RECOVERY FUND

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### 8.1 MOTOR VEHICLE TRANSACTION RECOVERY FUND (MVTRF)

#### 8.1.1 Motor Vehicle Transaction Recovery Fund established

The Motor Vehicle Transaction Recovery Fund (TRF) is designed to provide relief to consumers who have received a judgment of fraud against a dealer and the dealer does not pay the judgment. The TRF works in conjunction with the required Bond that all dealers must carry for the first three years they are in business. Applicants for an original motor vehicle dealer's license pay an annual Fund fee of \$350 each year for three consecutive years. Dealers who have completed their TRF obligation pay a one-time fee of \$100 for each subsequent dealership they open. In order to maintain adequate funding in the TRF, the Board at its discretion may require an annual Fund fee of \$100 after the first three year period, and that every applicant for a motor vehicle salesperson's license pay, in addition to other license fees, an annual Fund fee of \$10, prior to license issue. However, annual Fund renewal fees from salespersons may not exceed \$100 per year from an individual dealer.

Recreational vehicle, trailer, or motorcycle dealers licensed by DMV prior to July 1, 2015 are not required to pay this fee.

#### 8.1.2 Bonding Requirements for Applicants for an Original License

An applicant for an initial dealer license must obtain and submit to MVDB with their initial application a bond in the amount of \$50,000. The issuance date of the bond may not be more than 30 days prior to the date the initial application materials are submitted to the MVDB. The dealer and bond company must complete form [MVDB 2](#), "MOTOR VEHICLE DEALER BOND".

The bond must come from a corporate surety licensed to do business in the Commonwealth and approved by the Attorney General. The bond shall be conditioned on a statement by the applicant that the applicant will not practice fraud, make any fraudulent representation, or violate any provision of this chapter in the conduct of the applicant's business.

If a bond is cancelled or not renewed within the first three years a dealer is in business, the Board may, without holding a hearing, suspend the dealer's license during the period that the dealer does not have a sufficient bond. Once a license is suspended, the suspension will only be lifted with proof of a new bond and payment of a \$50 reinstatement fee. The three year requirement to carry a bond will be restarted.

#### 8.1.3 Revocation of License or Certificate of Registration Upon Payment from the Fund

Upon payment by the Board to a claimant from the Fund, the Board will notify the dealer/licensee/registrant in writing of the Board's payment to the claimant and request full reimbursement be made to the Board within thirty days of the notification. Failure to reimburse the Board in full within the specified period will result in the Board immediately revoking the license or certificate of the dealer or the license of a salesperson whose fraud, fraudulent representation, or violation of the Dealer Laws resulted in this payment. Any person whose license or certificate is revoked shall not be eligible to apply for a license or certificate as a motor vehicle dealer or a license as a salesperson until the person has repaid in full the amount paid from the Fund on his account, plus interest at the rate of eight percent per year from the date of payment.

#### 8.1.4 Continuous Bonding Requirements for the Fund Non-participants

Applicants for a renewal of a motor vehicle dealer's license may elect to obtain and continuously maintain a bond in the amount of \$100,000 in lieu of participation in the Motor



Vehicle Transaction Recovery Fund, provided that such applicants have not been the subject of a claim against a bond or against the Fund for three consecutive years. The bond shall come from a corporate surety licensed to do business in the Commonwealth and approved by the Attorney General and shall be filed with the Board.

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## CHAPTER 9: PRINT ON DEMAND (POD) PROGRAM

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### 9.1 [PoD INFORMATION](#)

#### 9.1.1 General PoD Information

DMV made available to all dealers participating in the Print on Demand (PoD) temporary tag program an upgraded synthetic paper in lieu of the bond paper/plastic sleeve tag option. At that same time, it was advised that the paper with plastic sleeves and red cardboard tags would be phased out.

Effective July 1, 2013, all PoD temporary tags must be printed on the synthetic paper. To use the new paper, you will need a laser printer. The printer must use toner, not ink cartridges. Toner fuses with the synthetic paper to make the finished product durable and resistant to water, chemicals, and grease. Ink applied from ink cartridges will not properly fuse to the paper, which may cause smudging, smearing, and run-off when wet.

Orders for the new PoD paper are accepted through the Dealer Services Work Center. To place an order, send an email to [podtemptag@dmv.virginia.gov](mailto:podtemptag@dmv.virginia.gov) with the following information: dealer name, dealer number, shipping address, order quantity, tag size(s) (standard/small), and printer make/model number. Approved order requests will be shipped within five business days. Standard tags will be issued in packs of 100 and small tags (motorcycle/trailer) in packs of 25. The initial supply will be based on the dealer's prior year sales volume. For more information, contact the Print on Demand Help Desk at (804) 367-1474.

#### 9.1.2 Dealer 30-Day Temporary Tag and Transport Tag Fees

Please refer to DMV's PoD website for the most up-to-date fee information:

[http://www.dmv.virginia.gov/commercial/#dealer/pod\\_intro.asp](http://www.dmv.virginia.gov/commercial/#dealer/pod_intro.asp)

At the time of publication the fees were:

Type	FEE
Temporary Transport Plate	\$1.50 per plate
30-Day Temporary License Plate	\$3.00 per set

#### 9.1.3 Program Participation

DMV requires all dealers that wish to issue temporary tags to participate in the PoD program. To join the PoD program please contact one of the approved vendors listed on the [PoD webpage](#).

#### 9.1.4 Program Highlights

Program benefits to dealers include:

- No inventory to track.
- No requirement to obtain DMV permission to purchase or issue subsequent sets.
- No increase in cost.
- Ability to inquire on a tag number and get owner name, address, vehicle description, as well as issue expiration dates.
- Real-time update to DMV's records.
- No need to order or stock temporary tags.
- Ability to recall transactions.
- Ability of dealership to display corporate logo.

### 9.1.5 How It Works

The vendor operated program uses software to allow dealers to electronically transfer vehicle and owner information to DMV, and produces a unique temporary tag number and expiration date. Dealers are finding the program helpful in many ways by making the temporary tag process easier and more efficient. It has also cut down on the "black market" demand for temporary tags since the tag number and vehicle's VIN are connected.

Temporary tags print on white 8x11 weather resistant paper (that DMV provides) from your laser printer (uses toner). The tag attaches to the vehicle just like a metal license plate. The vehicle information, including your dealer's name, appears on the tags. A temporary registration card prints on the same sheet and is given to the customer to place in the vehicle.

DMV stores the vehicle information and the temporary tag's expiration date in its records. Law enforcement can access this information through the Virginia Criminal Information Network (VCIN).

The system tracks the number of temporary tags issued to each dealer. Dealers pay \$3 for each set of temporary tags issued and can issue reprints at no charge. The payments are made to DMV through the vendor.

This customer-friendly service was created with dealer and law enforcement input to ensure your business needs are met.

### 9.1.6 PoD Tags After 30 Days

If a dealership has a customer that is having the vehicle titled in another state and the paperwork has not been completed, then the dealership can process an extension prior to the 30 day temporary tag expiration date. The dealer will not need to receive approval for the DMV prior to the extension.

**Note:** Vehicles being titled in Virginia will not be able to process an extension unless the SUT has been paid to the DMV.

A second original 30 day temporary tag can be issued (this will create a new tag number) for the following reasons:

1. An extension needs to be processed for an out of state customer and the 30 day tag is expired.
2. An extension needs to be processed for a Virginia customer and the 30 day tag has expired and the SUT has been paid.
3. The temporary tag was voided due to entering the information incorrectly.
4. The temporary tag was voided due to a contingency of sale.

**Note:** When issuing the 2<sup>nd</sup> original 30 day temporary tag the PoD vendors system will need to know why a second original is being issued. The dealer will need to mark either one of the following:

- CON (contingency of sale)
- VIO (voided the transaction)

If a dealership is trying to issue a 3<sup>rd</sup> set of 30 day temporary tags and receives this message ("T2160- 'VIN/CUST MAX NO. REACHED. SEND REQUEST TO [PODTEMPTAG@DMV.VIRGINIA.GOV](mailto:PODTEMPTAG@DMV.VIRGINIA.GOV)") the dealership will need to follow the following instructions.

Send a detailed letter indicating why the additional 30 day temporary tag is needed. This request will need to be sent to [PODTEMPTAG@DMV.VIRGINIA.GOV](mailto:PODTEMPTAG@DMV.VIRGINIA.GOV) with the following information:

- Dealership Name
- Certificate number/dealer number
- Customer Number
- Customer Name
- Vin number
- Purchase Date
- Error message that was received on the PoD system
- Detailed description of why the vehicle cannot be titled into the customer's name
- Any supporting documentation

Dealer Services will be available to process all requests during the following business hours (excluding all federal and state holidays):

- Monday – Friday 8:15 a.m. – 5:00 p.m.

**NOTE:** All requests will be processed within a 2 hour turnaround time and you will receive a confirmation email stating if the override has been approved or denied.

Please refer to Chapter 7.1 for more information on issuing PoD tags after the initial 30 days.

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## CHAPTER 10: ONLINE DEALER PROGRAM

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### 10.1 ONLINE DEALER PROGRAM (OLD)

The Online Dealer automated interface system provides an electronic link between DMV and Virginia motor vehicle dealers. This interface provides a means for Virginia dealerships to issue registration cards, metal license plates and decals at the point of sale and electronically update DMV's vehicle files. Titles are printed at DMV and mailed after DMV receives the transaction paperwork.

As of March 15, 2014, all franchise dealers must join the Online Dealer program and are considered Online Dealers. As of December 1, 2015 all independent dealers that sell 200 or more vehicles annually are required to join the Online Dealer program and are considered Online Dealers. Independent dealers selling fewer than 200 vehicles annually are encouraged to take advantage of this convenient, cost-saving program.

Online Dealers can have work processed at a DMV CSC or Dealer Center. However, Online Dealers cannot have work processed at a DMV Select office.

#### **10.1.1 Program Benefits**

- The Online Dealer program allows the dealer to avoid the inconvenience of having to deliver documents to DMV. Instead, DMV provides a courier service or postage for the dealer to send these documents to DMV headquarters for reviewing and imaging.
- All taxes and fees are transferred electronically, eliminating the need to write checks for payment of taxes and fees.
- The Online Dealer program enables the customer to obtain his plates, decals, and registration card at the dealership instead of having to go to a DMV customer service center.
- Any special plate ordered by the customer is mailed directly to the customer from DMV's manufacturing facility, along with the associated decals. This added convenience to the customer reflects favorably on the participating dealer.

#### **10.1.2 The Process**

The process begins with the dealer selling the vehicle to the customer, followed by:

1. Using the vendor's software and hardware, the dealer submits the electronic application for title and registration, including lienholder information, if appropriate.
2. The dealer removes the license plates and decals from the inventory on site at the dealership, as managed and indicated by the vendor's system, and prints a permanent registration card.
3. DMV returns the appropriate information, including the title and log numbers, through the vendor's host system back to the dealer.
4. The dealer writes the title and log numbers and the date of the transaction on the face of the MCO or title. The title and a paper title application form must be submitted to DMV.
5. The vendor withdraws the funds from the dealer's account (set up for this purpose) to cover the fees and taxes due to DMV, forwards those funds to DMV's account via an

Electronic Funds Transfer within two days of finalizing the transaction, and sends DMV a deposit certificate.

6. The dealer sends daily reports and all documentation for submitted transactions to DMV via DMV's courier service. The courier service is provided at no cost to the dealer.
7. DMV prints the titles overnight and mails them directly to either the customer or the lienholder, whichever is appropriate.

### 10.1.3 Responsibilities

#### The Vendor:

- ✓ Trains dealer personnel.
- ✓ Acts as the liaison between the dealer and DMV.
- ✓ Performs the daily deposit of funds into DMV's account.
- ✓ Handles the daily reconciliation and summary reports.
- ✓ Manages the inventory of license plates and decals.
- ✓ Ensures that the dealer complies with DMV's procedures.

#### The Dealer:

- ✓ Submits the electronic application transaction for titles and registrations.
- ✓ No staples are to be used with any of the bundle paperwork that is submitted to the Online Vehicle Programs Work Center.
- ✓ Print registration cards.
- ✓ Forwards daily reports and ownership documents directly to DMV.
- ✓ Finalized transactions in the vendor's system within 30 days of the sale.
- ✓ Dealers licensed by the MVDB and DMV are required to pass the costs that the vendor charges for the transaction to the customer.

**Online Dealer Contacts:** please refer to the [Online Dealer contacts webpage](#) for the most up-to-date information.

### 10.1.4 Switching Online Vendors

All vendor transfers will be overseen by a DMV representative. The prior vendor is not required to resource the closeout (except for out-of-state participants). Implementation of the new online vendor will not be delayed since it will no longer be contingent on the previous vendor's schedule. DMV will be assured that all inventory is accurate. The following procedure must be followed by dealers, vendors and DMV:

- ✓ Dealer contacts Vehicle/Dealer Services via email ([dealerservices@dmv.virginia.gov](mailto:dealerservices@dmv.virginia.gov)) at least two full weeks prior to the desired switchover date (this does not mean that the switchover cannot take place sooner).
- ✓ Dealer Services will contact both the closing and installing vendors to coordinate and schedule the switchover.

- ✓ The DMV representative responsible for overseeing the inventory review will contact the dealer within two business days of receipt of the email requesting the switchover to confirm the scheduled date. If no call is received within three days, please call Dealer Services at 804-367-0901.
- ✓ The dealer should print the current inventory list once the DMV representative arrives.
- ✓ The standard closing process will be completed by DMV.
- ✓ Inventory that must be returned to DMV, including excessive and/or expired inventory, will be taken by the DMV rep at the close of the review.

#### **10.1.5 Online Dealer Closing**

This section provide vendors, online dealers and online fleets with instructions on how an online dealer or fleet returns unused license plates and decals to DMV when they are withdrawing from the program or no longer need a specific plate type or current year decal.

The dealership or fleet notifies the vendor in writing that they will no longer be participating in the Online Program and provide a copy to DMV:

##### **Dealer Services**

Department of Motor Vehicles

P.O. Box 27412, Room 363

Richmond, VA 23269

Fax # (804) 367-7046

Email: [dealerservices@dmv.virginia.gov](mailto:dealerservices@dmv.virginia.gov)

The vendor representative visits the dealership or fleet location and completes a physical inventory of all license plates and decals assigned to the dealership. The representative completes the form [ASA 42](#), "PLATE/DECAL TRANSFER" listing all license plates and decals that the dealer or fleet has in their inventory. If any license plates or decals are missing the representative will note this on the physical inventory.

#### **10.1.6 Inventory Security**

Stations are to be locked in order to secure such items as decals, money, checks, paid stamps, etc., when a representative leaves the immediate area and unlocked upon return to the station. Dealership is to treat DMV inventory as they do other items of value in the dealership, like the keys to their cars!

##### Online Dealership/Fleet

1. All locks to which an employee has keys are to be changed when that particular employee discontinues working in that work area.
2. All decals and license plates are to be secured in a locked area during business hours until assigned to an employee. All decals and license plates, even those assigned to an employee, are to be secured in a locked area during non-business hours.
3. The security area (area that contains plates and decals that are not being used that day) is to remain locked at all times during the business day.
4. Whenever the dealership no longer employs an authorized representative, the departing representative and supervisor should conduct a full inventory. The incoming authorized representative should conduct an inventory when reporting to work.

5. The computer monitor is to be placed in such a manner that unauthorized users of the system cannot view the screen.

**NOTE:** Dealer may be liable to DMV for missing inventory. Dealer may also face disciplinary sanction, to include excision from the program, and/or criminal charges.

### 10.1.7 Receipt of Inventory

#### Online Dealership/Fleet

1. Receive decal and/or license plate consignment (shipment). **DO NOT YET SIGN THE CONSIGNMENT FORM.**
2. Verify the decals and plates received against the invoice - Decal/License Plate Order Form.
3. Verify amount received by counting packs of decal pads. Verify serial number for each type - month decals, year decals by comparing the pack label to the consignment form. **DO NOT OPEN THE SHRINK-WRAP UNTIL YOU ARE READY TO ISSUE DECALS FROM THAT PACK.**

**NOTE:** The decals are to be used in order. At no time are the decals to be separated or split between different tellers. Decals should stay on the pack until needed for a transaction.

4. After verification that the received inventory matches the invoice, sign and date the consignment form in the space marked Recipient.
5. If you entered plate information into the inventory system incorrect or made some other error regarding plates (e.g., need to void a plate), then contact your vendor representative.
6. Distribute the verified form according to Decal/License Plate Order Form instructions.
7. Maintain a copy and return a copy to DMV headquarters within 24 hours of receipt. Fax the copy to (804) 367-6379 or mail to room 361.
8. File all Decal/License Plate Consignment sheets in one folder sorted by date order.
9. Put all decal pads and plate boxes in a locked security area. The security area should remain locked at all times. Only authorized personnel should have access to the security area.
10. Fax a copy of Decal/License Plate Order Form to your vendor.

### 10.1.8 Decal Verification

#### Online Dealership/Fleet

1. When first opening a pack of decals, verify that the number of decals in the pad is correct (i.e., that there are 100 in the pad).
2. The decals that are CORRECT can be issued.
3. If there is a shortage (missing decal) in the pack, then DMV indicated this on an enclosed pink slip.



4. Enter "Missing" beside the decal number on the vendor's Decal Tally Sheet.
5. Keep the pink slip (if present in decal pack) with your copy of the order form that was received with the shipment.
6. On occasion there may be extra decals in a pack. Enter the number of extra decals at the bottom of the front of the vendor's Decal Tally Sheet.
7. For unusable (e.g., damaged, torn, etc.) decals in the automated inventory system:
  - Complete the DMV form [ASA 42](#), "PLATE/DECAL TRANSFER" listing the unusable decals.
  - Attach the unusable decals to the ASA 42.
  - Mail the ASA 42 and unusable decals to DMV Headquarters with your next bundle report.

### 10.1.9 Expired Decals

Dealers should submit their expired decals to DMV within 30 days of the New Year. However, you can still send DMV your expired decals throughout the year.

#### Online Dealership/Fleet

1. Complete the DMV form [ASA 42](#), "PLATE/DECAL TRANSFER" listing all expired year decals to be sent to DMV.
2. Attach the expired decals to the ASA 42.
3. Complete the "TRANSFERRING LOCATION" section with your dealership's information.

**Note:** For the "LOCATION CODE" enter your dealer number.

4. Complete the "RECEIVING LOCATION" section with DMV's information.

**Note:** Leave the "LOCATION CODE" field blank.


5. Complete the "Decal Transfers" part of the "PLATE / DECAL INFORMATION" section:
  - ✓ "Decal Type" = "Month", "Year", "Rental Year", etc.
  - ✓ "Decal Month" = the decal's month (if applicable).
  - ✓ "Decal Year" = the decal's year (if applicable).
  - ✓ "Quantity" = total number of that type of expired decal being transferred to DMV.
  - ✓ "Range" = enter the beginning and ending number of the series of that decal type being transferred to DMV.

**Note:** When accessing the ASA 42 on a computer you can click the green "+" button to add extra rows to the ASA 42 as seen below:

Decal Transfers					
Decal Type	Decal Month	Decal Year	Quantity	Range	
				To	+
					-
					+
					-
				To	+
					-

6. Attach the expired decals to the ASA 42. Place the ASA 42 in an envelope marked "Expired Decals". Send with your next bundle report to DMV Headquarters.

Sample Completed ASA 42

 <p><b>DMV</b> www.dmv.virginia.gov Virginia Department of Motor Vehicles Post Office Box 27412 Richmond, Virginia 23269-0001</p>	<h2 style="margin: 0;">PLATE/DECAL TRANSFER</h2>	ASA 42 (08-10-2015)	
<p><b>Purpose:</b> Online dealers/participants, online vendors, CSC management and DMV Selects use this form to transfer plates/decals from one office to another.</p> <p><b>Instructions:</b> This form has been designed to be completed electronically. The "Transferring Location" and "Receiving Location" name should be selected from the drop down list if present, if not present the location names can be typed in manually. Refer to the applicable section on page 2 for detailed instructions.</p>			
TRANSFER DETAIL INFORMATION			
TRANSFERRING LOCATION			
DATE TRANSFERRED (mm/dd/yyyy)	TRANSFERRING LOCATION NAME / ONLINE DEALER / PARTICIPANT	LOCATION CODE	
6/29/2016	Bob's Wheels & Deals	▼	
TRANSFERRING LOCATION STREET ADDRESS		CITY	STATE
3921 W Broad St		Richmond	VA
TRANSFERRING LOCATION REPRESENTATIVE NAME (print)		TRANSFERRING LOCATION REPRESENTATIVE SIGNATURE	
Ken Cleaver		<i>Ken J. Cleaver</i>	
PLATE / DECAL INFORMATION			
License Plate Transfers			
Plate Type	Quantity	Range	+
		To	-
		To	+
		To	-
		To	+
		To	-
Decal Transfers			
Decal Type	Decal Month	Decal Year	Quantity
Month	August	7135661	10
		To	7135670
		To	713600
Month	August	1477701	11
		To	1477800
Year	2015	1477701	100
		To	1477800
RECEIVING LOCATION			
DATE RECEIVED (mm/dd/yyyy)	RECEIVING LOCATION NAME / ONLINE DEALER / PARTICIPANT	LOCATION CODE	
	DMV	▼	
RECEIVING LOCATION STREET ADDRESS		CITY	STATE
2300 W Broad St		Richmond	VA
RECEIVING LOCATION REPRESENTATIVE NAME (print)		RECEIVING LOCATION REPRESENTATIVE SIGNATURE	

10.1.10 Damaged Plates

Online Dealership/Fleet

1. Examine box of plates when you open them to ensure that there are 50 sets.
2. When a plate is issued, examine both plates to be sure they match and are not damaged.
3. If any plates are damaged, update them in inventory system as damaged.
4. Take a permanent marker and deface the plates.

5. If decals have been issued for the plates and they are to be destroyed also, then use the permanent marker to deface the decals as well.
6. You may wrap a piece of paper around the plates and write the words "damaged plates" on the paper (secure with a rubber band).
7. Take damaged plates to the local DMV Customer Service Center. You may include a note to the Customer Service Center as to why plates are to be destroyed (i.e., damaged, deal canceled). No title documents or registration cards are to be attached to the plates to be destroyed.
8. Do not include the damaged plates with the bundle reports that are sent to DMV Headquarters.

#### **10.1.11 Missing or Stolen Inventory**

The purpose of this procedure is to provide guidance to the Online Dealer/Fleet staff when notified that license plates and/or decals are missing or stolen from a dealership or fleet.

##### Online Dealership/Fleet

1. Immediately notify your local law enforcement and obtain a police report number. DMV will require the police report number.
2. Notify the following Department of Motor Vehicles (DMV) Representative in the Online Dealers/Fleets Work Center that license plates and/or decals are missing:

##### **Dealer Services**

Department of Motor Vehicles  
P.O. Box 27412, Room 363  
Richmond, VA 23269  
Phone # (804) 367-0901  
Fax # (804) 367-7046  
Email: [dealerservices@dmv.virginia.gov](mailto:dealerservices@dmv.virginia.gov)

3. Provide specific details such as: count and serial numbers of missing plates/decals and license plate numbers.
4. Provide a full written description of the circumstances surrounding the missing plates or decals and what action has/is to be taken to prevent future incidents. Mail the letter to the attention of the Dealer Services Manager.

#### **10.2 QUARTERLY INVENTORY**

- Online Dealer vendors require that all of the dealers conduct quarterly inventory reconciliations.
- Print a list of the inventory at your location. Contact your vendor if you need assistance in printing the inventory list.
- Take physical count of current decal inventory and record the beginning and ending number of each type of decal.

- Take physical count of current license plate inventory and record the beginning and ending number of each type of plate.
- Remove expired inventory from the system. Contact your vendor if you need assistance in removing inventory from the system. Refer to Chapter 10.1.9 on how to dispose of expired inventory.
- Report missing/stolen inventory according to the instructions in Chapter 10.1.11.
- The reconciled inventory report should be signed and dated by the clerk that performed the inventory and the manager of the dealership that reviewed the findings.
- Keep the reconciled inventory report on file at the dealership for audit purposes. DO NOT SEND A COPY TO DMV.

### 10.3 BUNDLES

The following steps outline the flow of a vehicle transaction through the Online Dealer system, what paperwork is collected, and how to submit it to DMV.

1. Upon completion of the sale the dealer enters the title and registration data into the system and "pends" the transaction (pending transaction). No information concerning pending transactions is sent to DMV.
2. After verification of the information by the vendor's system, the dealer prints a permanent registration certificate for plates issued or transferred.
3. Once the deal is ready for final processing, the dealer "finalizes" the pending the transaction. At this point the information is sent to DMV and is considered a finalized vehicle transaction.
4. A computer message will display the title number assigned to the transaction. Print the Pull Ticket with the title number and the barcode and place on top of the appropriate transaction's paperwork (title, dealer reassignment, Buyer's Order, etc.).
5. Write the title number in the right column [VSA 17A](#), "APPLICATION FOR CERTIFICATE OF TITLE AND REGISTRATION".
6. Write the license plate issued (or transferred) and complete all of the boxes for the fees collected on the reverse side of the VSA 17A in the area designated "DMV USE ONLY".
7. Stamp or print the name of your dealership in the box for "CSR STAMP".
8. All DMV documents should be put together with one paper clip per transaction. All transactions and the bundle report should be put together by two rubber bands (1 horizontally and 1 vertically).

**NOTE:** There must be **NO STAPLES** in the bundle paperwork.

9. All finalized vehicle transaction should be mailed to the Online Dealer Help desk within 14 days of processing.

10. For all title holds (VINA, Dealer, NMVTIS, etc.) the supporting documentation should be placed in a separate envelope labeled what type of hold needs to be released.

#### NOTES

- If you find it necessary to request a refund, then complete the [SUT 2](#), "APPLICATION FOR REFUND OF SALES AND USE TAX". The request for refund of appropriate fees will be approved or denied by DMV. The original SUT 2 should be mailed to DMV Online Dealer Work Center separate from the bundle.
- Online Dealers have 30 days before the final transaction is required to be submitted through your online system. The title clerk or finance & insurance (F&I) can process the transaction at any time within the 30-day period as a pending transaction. However, once the transaction has been processed as a finalized transaction, the transaction cannot be backed out or canceled and DMV will be unable to refund the fees or taxes paid.
- As an Online Dealer you are required to follow the Code even if your computer or the vendor's system is not functioning properly. If your system is down and the 30 days is approaching, then you must take the work to the local DMV Customer Service Center (CSC) for the processing. If you issued new license plates to your customer, you must contact the customer and have the license plates returned to the dealership. The CSC will issue new license plates for the customer's vehicle.

### 10.3.1 Sample Bundle Cover Page

The bundle cover page looks slightly different between each Online Dealer vendor. However, they all look similar to the sample image below:

BUNDLE REPORTS FOR DMV 00/00/0000  
VENDOR TRANSACTION DATE 00/00/0000  
DEALER NUMBER / DEALER NAME

**COMMENTS:** \_\_\_\_\_

**(COMPLETE THIS SECTION WHEN A TRANSACTION IN THE BUNDLE NEEDS TO BE CHANGED OR CORRECTED)**

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**PLEASE SEND ONLY THE FOLLOWING DOCUMENTS WITH YOUR BUNDLE:**

**NO STAPLES SHOULD BE IN THE BUNDLES. PAPERCLIPS AND RUBBER BANDS ARE RECOMMENDED.**

- PULL TICKET WITH BARCODE AND TITLE NUMBER
- MANUFACTURERS CERTIFICATE/STATEMENT OF ORIGIN OR TITLE DOCUMENT
- VSA17A, APPLICATION FOR CERTIFICATE OF TITLE AND REGISTRATION
- VAD70A, POWER OF ATTORNEY TO SIGN FOR OWNER
- VADA 116/ODOM 103-N, ODOMETER DISCLOSURE STATEMENT
- VSA5, ODOMETER DISCLOSURE STATEMENT
- DEALER BILL OF SALE

**NOTE:** THE TITLE NUMBER SHOULD BE WRITTEN ON THE RIGHT-HAND MARGIN OF ALL SUPPORTING DOCUMENTS FOR EVERY TRANSACTION

**HELDS**

- BUNDLE TRANSACTION WITH A HELD PLACED ON TITLE RECORD.
  - o LETTER FROM DEALERSHIP WHEN TRANSACTION PROCESSED WITH A "HELD". (§46.2-15-1542 c.)
  - o DO NOT INCLUDE ANY PAPER WORK FOR A PREVIOUS TRANSACTION SUCH AS A TITLE TO RELEASE A "HELD"
- REQUESTING TITLE HELD TO BE RELEASED
  - o STANDARD TITLE HELD
    - PLACE TITLE IN ENVELOPE LABELED "TITLE RELEASE" INSERT INFRONT OF THE BUNDLE COVER SHEET AND SEND WITH BUNDLE
  - o NMVTIS TITLE HELD
    - PLACE TITLE IN ENVELOPE LABELED "NMVTIS TITLE RELEASE" , INSERT INFRONT OF THE BUNDLE COVER SHEET AND SEND WITH BUNDLE

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## CHAPTER 11: FEES, CHARTS & FORMS

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### 11.1 DEALER LICENSING FEES

Applications for a dealer's license must include the name of a certified dealer-operator before the application will be processed. Each salesperson applicant must also be certified. The dealer-operator and salesperson certificates of qualification may be obtained by successfully completing an examination administered at a local DMV Customer Service Center, payment of a \$50.00 application fee, and presenting a [MVDB 57](#), "DEALER OPERATOR/SALESPERSON QUALIFICATION TEST APPLICATION".

All applicants for an original, MVDB issued motor vehicle dealer's license must pay an annual fund fee of \$350.00 each year for three (3) consecutive years. In addition to the Motor Vehicle Transaction Recovery Fund, applicants are required to furnish a \$50,000 surety bond for three (3) consecutive years.

#### 11.1.1 Dealer & Salespersons Fees

Description	License Fee
Dealer License (MVDB-10)	\$225.00
Each Endorsement	25.00
Dealer Annual Fund Fee	350.00
Salesperson License Fee	<u>30.00</u>
Criminal History Check (MVDB-21)	\$10 (if applicable)

Dealers who are licensed to sell more than one vehicle type must pay a \$25 endorsement fee for each additional vehicle type. For example, if a dealer has an independent motorcycle and independent trailer license, the fee is \$225 plus \$25.

Applications shall include:

1. A [MVDB 10](#), "MOTOR VEHICLE DEALER LICENSE APPLICATION FOR INITIAL LICENSE/RENEWAL/CHANGE".
2. A [DSD 7](#), "APPLICATION FOR CERTIFICATE OF QUALIFICATION/SALESPERSON'S LICENSE".
3. A [MVDB 9](#), "DEALER PLATE APPLICATION" (optional).
4. Zoning form, Buyer's Order, inspection required, certificate fee \$225.00/assessment fee \$350.00 (*MVDB licensed dealers only*), salespersons fee \$30.00, criminal history check fee \$10.00, and \$50,000 surety bond.
5. Application for dealer's license must include the name of a certified dealer-operator.
6. Each salesperson applicant must be properly certified.

7. The dealer-operator and salesperson certificates of qualifications may be obtained by successfully completing a written examination administered at local DMV Customer Service Centers, and payment of a \$50.00 application fee to DMV and a criminal history check fee of \$10.00.

#### **11.1.2 Partner(s) Added or Dropped**

A [MVDB 10](#), "MOTOR VEHICLE DEALER LICENSE APPLICATION FOR INITIAL LICENSE/RENEWAL/CHANGE", same certificate number, no new plates, no inspection needed - prorated fee of \$18.75 per month for each month remaining in the license year.

#### **11.1.3 Dealer Moves Sales Office or Different Political Sub-Division**

A [MVDB 10](#), "MOTOR VEHICLE DEALER LICENSE APPLICATION FOR INITIAL LICENSE/RENEWAL/CHANGE", same certificate number, proof of zoning, need inspection - prorated certificate fee of \$18.75 per month for each month remaining in the license year.

#### **11.1.4 Dealer Moves Sales Office, Same Political Sub-Division or Changes Trade Name**

A [MVDB 10](#), "MOTOR VEHICLE DEALER LICENSE APPLICATION FOR INITIAL LICENSE/RENEWAL/CHANGE", same certificate number, proof of zoning, needs inspection (no zoning required if change of trade name only) - no fee.

#### **11.1.5 Dealer Changes from One Type to Another**

A [MVDB 10](#), "MOTOR VEHICLE DEALER LICENSE APPLICATION FOR INITIAL LICENSE/RENEWAL/CHANGE", same certificate number, plates must be exchanged ([MVDB 9](#), "DEALER PLATE APPLICATION"), inspection required for exchange of plates to be made - no fee.

#### **11.1.6 Change from Individual or Partnership to a Corporation or Vice-Versa**

A [MVDB 10](#), "MOTOR VEHICLE DEALER LICENSE APPLICATION FOR INITIAL LICENSE/RENEWAL/CHANGE", new certificate number, must purchase new plates ([MVDB 9](#), "DEALER PLATE APPLICATION"), a [DSD 7](#), "APPLICATION FOR CERTIFICATE OF QUALIFICATION/SALESPERSON'S LICENSE", inspection needed. Certificate fee \$225.00/no assessment fee, salesperson fee \$30.00/transfer. This requires a copy of the State Corporation Commission (SCC) filing.

#### **11.1.7 Change in the Name of a Corporation with an Amendment to the Charter**

A [MVDB 10](#), "MOTOR VEHICLE DEALER LICENSE APPLICATION FOR INITIAL LICENSE/RENEWAL/CHANGE", same certificate number, no new plates are required, need inspection - no fee. This requires a copy of the State Corporation Commission (SCC) filing.

#### **11.1.8 Change in the Name of a Corporation with a New Charter Drawn Up**

A [MVDB 10](#), "MOTOR VEHICLE DEALER LICENSE APPLICATION FOR INITIAL LICENSE/RENEWAL/CHANGE", new certificate number, purchase new plates ([MVDB 9](#), "DEALER PLATE APPLICATION"), a [DSD 7](#), "APPLICATION FOR CERTIFICATE OF QUALIFICATION/SALESPERSON'S LICENSE", need inspection - certificate fee \$225.00/assessment fee \$350.00, salesperson fee \$30.00. This requires a copy of the State Corporation Commission (SCC) filing.

#### **11.1.9 Supplemental Location**

[MVDB 22](#), "SUPPLEMENTAL SALES APPLICATION FOR TEMPORARY OFF-SITE SALE OR PERMANENT SUPPLEMENTAL LICENSE", proof of zoning, need inspection, must be within 500 yards of principal location for a permanent supplemental location. Fee \$40.00.



## 11.2 DEALER LICENSE PLATES

- A. If you desire to purchase dealer license plates, you must complete application form [MVDB 9](#), "DEALER PLATE APPLICATION". You must also certify automobile liability insurance coverage for each plate and must maintain liability insurance as long as the dealer plate remains valid.
- B. Dealerships may purchase a maximum of four plates per licensed salesperson. First two plates \$60, third and any subsequent plates \$26 each.
- C. A sign must be displayed in the public sales area of the dealership with the amount of the processing fee charged, if any. The sign must be no smaller than eight and one-half by eleven inches (8½ x 11) and in print of at least one-half inch.
- D. Each dealership owner, partner and/or officer of the dealership, each dealer-operator and all salespersons are required to complete and submit a Criminal History Form along with all other applications.
- E. Initial applicants must have the MVDB conduct the background check for the \$10.00 fee. Participating/approved dealers may run their own criminal background check.

## 11.3 DEALER LICENSE/CERTIFICATE ADDITIONAL REQUIREMENTS

The following additional requirements must be attached or included in the application.

1. The location of the business must be either owned or leased by the applicant. The specific address must be shown on the application. Post Office Box mailing address alone will not be acceptable.
2. Provide a \$50,000 surety bond executed from a corporate surety company licensed to do business in the Commonwealth.
3. A copy of your "Buyer's Order" for approval, which must include items outlined in the enclosed copy of Code Section 46.2-1530. Be sure that "Buyer's Order" includes an item designed as "processing fee" and in the amount charged, if any. For sales involving dealer arranged financing, your Buyer's Order must indicate this information.
4. Written proof of local zoning approval, which includes the sale and display of motor vehicles, must accompany the application.
5. Proof that the corporation has been registered with the Virginia State Corporation Commission (SCC). Any "trading as" or fictitious name must be first filed through local courts. Proof of court filing and a fee of \$10 mailed to the SCC. Please furnish proof of this filing.
6. Franchised dealers must attach a copy of the franchise agreement or original franchise letter that includes the manufacturer's or distributor's service agreement. The manufacturer or distributor must also be licensed by the Department of Motor Vehicles, Dealer Services Division.
7. Upon receipt of your application with appropriate fees and enclosures, an on-site inspection will be requested to be conducted by our representative to determine if the dealership meets the established place of business requirements as outlined in the Virginia Motor Vehicle Dealer Licensing Law.

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## ELECTRONIC FORMS

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You can find most of the forms you will need as a dealer available on the DMV or MVDB website.

[Department of Motor Vehicles Dealer Forms](#)

[Motor Vehicle Dealer Board Forms](#)

[MVDB Fee Chart](#)

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## CONTACT INFORMATION

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[General DMV Contact Information](#)

[DMV Dealer Services Contact Information](#)

[MVDB Contact Information](#)

[Online Dealer Contact Information](#)

[Print on Demand Contact Information](#)