



Utah State Tax Commission
Motor Vehicle Enforcement
Division
210 N 1950 W
Salt Lake City, UT 84314
mved.utah.gov

April 2010 Issue

Upcoming Holidays

State Offices will be closed on the following Holidays:

July 5, 2010

September 6, 2010

Operating Hours

MVED is open

Monday-Thursday

7 AM—6PM

Commonly Used Phone Numbers and Websites

MVED

801-297-2600

mved.utah.gov

DMV

801-297-7780

dmv.utah.gov

Sales Tax Division

801-297-2200

Sales Tax Warehouse

801-297-3878

tax.utah.gov

MVED Newsletter

Renewal Information

It is that time of year again for renewal of your business license with MVED. 84% of businesses renewed online last year. By renewing online it saves your business time and money! MVED will only have staff available to process your renewals in person on **June 28th, 29th & 30th**. Get out of line and try renewing via the internet this year!

All dealer licenses must take the 3 hour training class **BEFORE** they can start their renewal. It takes approximately 48-72 hours for the trainers to update our system once you have completed the training. You will not be able to renew with MVED until the training has been updated. Please plan ahead and **take your training early** so it doesn't slow down your renewal process. Training can be taken anytime **on or after March 29, 2010**.

Training is offered by several trainers:

- www.mved.org
- Independent Dealer Solutions 801-566-3802 or 1-800-324-7009 or website of www.idsinfo.com
- Dave Hale at Real Value 801-298-3811 or 1-877-450-9100 or via email at dave@hale.net
- Sonja Jorgensen 801-601-1440 or via email at sjorgensenlaw@gmail.com

New Bonds required prior to renewing

Due to legislation changes a new bond will be required for any dealer, bodyshop or crusher before your license can be renewed. The original of the bond (revision date 4/2010) must be submitted to MVED, we **cannot** accept copies. The revised bond form is available online. The bond must be signed on the front page by an owner or corporate officer in front of a notary public. The back or second page must be notarized in the appropriate section. To avoid delays with your renewal please submit your bond as soon as possible.

Also if your business is licensed as a **Used Motor Vehicle Dealer** you must have an additional bond for \$75,000 for each additional place of business. Each additional place of business must also meet the same requirements as a principal place of business.

2010 Legislation Items

HB 37, effective July 1, 2010, requires all people licensed as a salesperson or owner of a dealership to submit a Bureau of Criminal Identification (BCI) fingerprint card and waiver to the Motor Vehicle Enforcement Division by November 30, 2010. These prints and the \$25.00 fee will be transmitted to BCI, so that an on-going database may be retained. BCI will make notification for any future arrests and convictions involving crimes that may be grounds for license suspension.

HB 366, will require as of July 1, 2010, all used motor vehicle dealers with additional places of business to have these additional lots comply with the same requirements as the principal place of business. This includes having an office, display space for three vehicles, sign and have a \$75,000 corporate surety bond for each additional lot. The bill also requires all applicants document at least five years of business history with their business application.

HB 404, was passed this session, which has several provisions that affect motor vehicle dealers. The bill amends and clarifies security interests of lien holders and flooring institutions regarding vehicles traded-in or sold by motor vehicle dealers.

The new legislation makes it unlawful to:

- Provide financial institutions motor vehicle contracts that do not accurately state the terms of the purchase, if the vehicle is rebuilt, or misrepresenting the vehicle on a contract of sale.
- Make payments on any loan or lease on a motor vehicle that has been traded-in and subject to legally required pay-off requirements. A dealer can make one or more loan or lease payments if this is stated in the contract of sale or the lien holder is notified.
- Requires the dealer to remit payment to the lien holder of a trade-in vehicle prior to selling the vehicle, unless the dealer makes notification in writing to the person trading in the vehicle that they remain responsible for any unpaid loan.
- Requires that the dealer at time of sale of a motor vehicle with a trade-in, notify in writing the person trading in the vehicle, that the person remains responsible for any unpaid loan, lease, or other obligation. The person trading in the vehicle must separately acknowledge receipt of the notice and acknowledge in writing the person's continued obligation related to the vehicle being traded-in.
- The dealer is required within seven calendar days of the date of trade-in, to notify the lien holder the vehicle has been traded in.
- The lien holder is required to deliver a title and lien release within nine calendar days after the day on which funds were received.

SB 129 modifies and enacts provisions under the New Automobile Franchise Act.

The legislation enacts a definition of a "site-control agreement" and modifies provisions relating to prohibited actions by a new motor vehicle franchisor. It also enacts provisions for governing termination or cancellation of a recreational dealer franchise.

New motor vehicle dealers are reminded to insure that they have a franchise on file with the Motor Vehicle Enforcement Division for all new motor vehicles being sold or displayed for sale.

Fee Changes

The price of a book of 45 day temporary permits is changing 7-1-2010. If you are licensed as a dealer we have enclosed a new temporary permit order form (TC-756) with the new fees. The new fee will be \$303.00 per book of 25 permits.

A handling charge must be paid on any special plate orders as of 7-1-2010. The revised form TC-142 form will be available online. Once your plate order is processed they will be mailed back to your business. Processing time is typically 4-6 weeks since the plates must be made.

Due to BCI law changes, the fingerprint fees are increasing to be \$20.00 as of 5-11-2010. Then on 7-1-2010 fingerprint fees are increasing to be \$25.00 due to HB366. Please be sure you are submitting the most current fees when applying for salespeople licenses. If applications are submitted with the wrong fees we will be returning them. The revised form TC-303 is available online.

As of 7-1-2010 if a salesperson or owner license has been suspended or expired for **2 months or longer** they will need to go through the fingerprinting process again and pay the \$25.00 fingerprint processing fee.

TC-928 Monthly Report of Sale

All dealers must file a monthly report of their wholesale sales, sales to non residents and sales where no temporary permit was issued, on a TC-928 by the 10th of the following month. *You do not need to report sales to Utah residents when you issue a permit!* Those sales are reported to us automatically by the DMV.

The sales on your TC-928 count towards the plates that your dealership is eligible for. The TC-928 form can be found online.

Curbstoners

You can help MVED by reporting any person that is selling 3 or more vehicles in 12 months without having a dealers license. Unlicensed dealers known as "Curbstoners" can be reported online at www.mved.utah.gov

Non Resident Affidavits

The non resident affidavit form TC-583 was replaced in May 2007. The form should NOT be submitted to MVED when submitting a non resident permit. Please retain the non resident affidavit in your files in case you are audited. The new form number is **TC-721A** and can be obtained under forms at www.tax.utah.gov

Bar Codes on Temporary Permits

When voiding a temporary permit please DO NOT write across the bar code. We scan the permits with a scanner and marks on the bar code do not allow the scanner to work properly. Scanning permits helps ensure that the dealers permits are being cleared correctly.

Salesperson Licenses

Please check all of your salespeople licenses after July 1st to ensure they have a 2011 expiration date.

New salesperson licenses that are issued between now and June 30th will expire in 2010! Our licenses are not prorated.