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Welcome to the SCDMV



Dealer Connection: Fall 2020

October 15, 2020

The South Carolina Department of Motor Vehicles (SCDMV) continues to provide information about different types of electronic vehicle registration (EVR) transactions as well as titles, fees, and changes with paperwork.

In this issue, you'll find a significant amount of information to ensure your paperwork processing with the SCDMV is as smooth as possible.

EVR Dealers

More than 1900 dealerships in South Carolina use EVR to, among other things, issue traceable temporary license plates at the point of sale to customers who purchase vehicles.

There are currently three service providers authorized to assist dealerships with EVR, but the SCDMV is in the process of onboarding additional providers. More information on new providers will be posted to SCDMVOnline.com and future Dealer Connections.

Error or Mismatched EVR Paperwork

The SCDMV **cannot** delete an EVR entry once an EVR deal is finalized regardless of whether paperwork has been submitted to the agency.

If the paperwork submitted to the agency **matches** the EVR transaction, the title must be processed before the dealer can transfer ownership of the vehicle again. Any lien recorded must be released for the dealer to obtain a clear title.

If the paperwork submitted **does not match** the EVR transaction (meaning there is an error on either the transaction or the paperwork), the title record will be revoked during the paperwork review process since the supporting documents would be incorrect. The correct documents are still **required** to clear the EVR suspension.

EVR Transaction Suspense Status

EVR transactions go into suspense for paperwork review and may also go into NMVTIS (National Motor Vehicle Title Information System) suspense for any brand, odometer disclosure, or incorrect previous title number submitted through EVR.



If the title is from another state, the proper title number for the previous/out-of-state title **must** be entered fully. Failure to enter the correct title number will cause the title to go into suspense and further lengthen the time for a title to be released to the lien holder or the customer.

Suspensions are cleared during the paperwork review process if the paperwork submitted is complete and correct.

Reminders:

- Dealers must submit **all paperwork** for the deal within 48 hours after the deal is finalized in EVR system.
- Any delay with finalizing or paperwork submission will delay suspense clearance and title issuance.
- A title record in suspense **does not** prevent the registered owner from receiving his or her license plate and registration card. The suspense **only** affects the title issuance.

Voiding/Cancelling EVR Transactions

Voids/cancellations should be used as a means to correct a transaction or remove a deal that is legitimately in error.

The SCDMV Dealer License & Audit unit will sanction dealerships that misuse voids in an attempt to commit fraud or delay registrations for customers.

- Pending EVR deals can be voided at any time.
- Finalized EVR deals can be voided **only** on the same calendar day that the deal was finalized.

If a dealer's attempt to void a transaction is unsuccessful, the dealer should contact its EVR service provider.

Voiding a deal **does not** void the traceable temporary license plate for a customer.

Pending EVR Deals vs. Finalized EVR Deals

Pending EVR Deals

- Void a pending EVR deal if the sale will not be completed. The vehicle **cannot** be sold to another customer if the pending EVR remains.
- Dealers must void pending EVR transactions for deals that need to be taken to an SCDMV branch for processing.
- SCDMV branches **cannot process pending EVR deals.**

Finalized EVR Deals

- Dealers **must** finalize EVR deals for customers to receive their metal license plates.
- The SCDMV **cannot** assist with voids after the deal has been finalized.
- SCDMV branches **cannot process finalized EVR deals**.



Customer Decides to Not Purchase Vehicle

In certain situations, a customer may decide to not purchase a vehicle or decides not to take delivery of a vehicle.

Dealers should void the pending EVR transaction if the deal has not been finalized in the EVR system. If the deal has been finalized, the dealer can **only** void the deal on the same calendar day it was finalized.

If the customer chooses to not purchase a vehicle, the deal has been finalized, **and** it's the next calendar day or beyond, the deal **cannot** be voided because the EVR transaction has become part of the title history and the fees have been charged.

Even though the customer does not want the vehicle, the dealer **must** submit the paperwork to SCDMV headquarters to complete the transaction. Once the new title is issued, the dealer would use the new title to transfer ownership again.

In this situation, dealers can mail their paperwork to the SCDMV using the mailing address provided by their service provider. Dealers are **strongly encouraged** to mail any paperwork with a tracking number so it can be more easily referenced in case of a processing delay.

If the sale of a **new** vehicle was mistakenly switched with another **new** vehicle **and** it is past the ability to void the transaction via EVR, dealers must submit those requests to SCDMV headquarters to rectify as MCO back out requests (see below).

In the instance where **only** the vehicle information was incorrect (sales price, trade-in amount, IMF payment, registration, and other documents were **all** correct), the original fees **will not** be refunded and will be applied to the correct vehicle. The additional MCO/MSO back out fees are still required.

MCO/MSO Back Out

The process below is **only** for **new, never-been-titled** vehicles.

If a sales transaction is completed, the re-assignment has been executed on the back of the MCO/MSO, **and** the customer decides that he or she changes his or her mind, an MCO back out must be completed.

Only the Specialized Title unit at SCDMV headquarters can complete an MCO/MSO back out.

Below, you'll see the required documents needed to obtain a letter stating that you are authorized to receive a replacement MCO/MSO from the new vehicle manufacturer.

MCO/MSO Back Out Request Requirements:

- Incorrect SC title with the lien released
- Letter on dealership letterhead that contains the description of the vehicle, explanation on why you are requesting an MCO back out, signed by the dealership's general manager
- Statement from customer saying he or she did not take possession of the vehicle, signed by the customer
- \$15 title fee

Once the SCDMV reviews the requirements above and, if approved, you will receive a letter from the agency requesting you to obtain a duplicate MCO from the manufacturer.

Duplicate Titles

A dealer that needs a duplicate title for a vehicle that has a **pending** EVR transaction should **void** the pending EVR transaction and purchase a duplicate title at an SCDMV branch.

The transfer of ownership can then be processed at an SCDMV branch, or the transaction can be re-entered through EVR using the duplicate title information.

EVR Paperwork Submission

The paperwork must be in the same order as the bundle report and all documents must be included in the proper order.

Dealers must submit all documentation to the SCDMV within two business days of finalizing the transaction, and the transaction must be finalized in the EVR system prior to submitting the supporting paperwork for the deal.

Paperwork must be mailed to SCDMV headquarters for review. **Do not** submit EVR paperwork for finalized deals to an SCDMV branch.

Any delay with finalizing the transaction and paperwork submission will delay clearing the suspense. Each service provider has been provided an EVR checklist to assist in ensuring the completeness of an EVR packet.

Bill of Sale and/or Buyer's Order

The signed Bill of Sale and/or Buyer's Order showing the total sales price of the vehicle, minus any trade-in value, is required to be included with **every** EVR transaction. The buyer's signature is required on both



documents.

This **does not** replace the requirement for the Affidavit & Notification of Sale of Vehicle (PTO). It is still required.

Additionally, the SCDMV is **not accepting** versions of the Application to Title and Register (SCDMV Form 400) that **do not** have the date 01/2020 in the upper right hand corner. All Forms 400-D, 400-L, and 400-M are no longer accepted.

The **only accepted** forms will be the Form 400 (dated 1/2020) and the Form 400-S (dated 5/19).

EVR Transactions and Gross Vehicle Weight

South Carolina law defines “truck” as “every motor vehicle **designed**, used, or maintained primarily for the transportation of property (SC Code of Laws Section 56-3-20(10).” Therefore, cargo and utility vans, which are designed primarily for the transportation of property should be titled as “trucks” and a minimum gross vehicle weight (GVW) applies when this body style is returned from the PC VINA package.

The SCDMV EVR Compliance and Oversight unit has noticed an increase in errors where dealers are omitting the GVW on trucks and pickup trucks. These vehicles are being registered as a vehicle type one with no GVW. Dealers are reminded that trucks and pickup trucks must be a vehicle type five and to include a GVW on **all** trucks processed.

Some customers may state that they do not use their vans to carry property; however, because these vehicles are **designed** to carry property, they must be titled as such. This is similar to an individual who purchases a Ford F-150, for example, for transportation purposes and not necessarily to carry property. However, because the Ford F-150 is **designed** as a property carrying vehicle, it is classified as a truck and the individual is required to register the vehicle with a minimum GVW.

Errors with the Vehicle Information

In reviewing EVR transactions, the SCDMV continues to notice several errors in the submission of EVR title information.

These errors have caused the agency to process more duplicate registrations to ensure that the correct vehicle or registrant information matches the actual vehicle.

The information from the previous title **must match** what is entered in EVR and what is on the Application to Title and Register (SCDMV Form 400).

The most common errors involve the YR/MAKE, VIN, MODEL, and BODY STYLE.

Below is an example of one of these errors:

2005 FORD F150 PK

The previous title shows BODY STYLE as TK (TRUCK).
The Form 400 shows the BODY STYLE as 4S (4 DOOR VEH).
The completed transaction shows as 4S (4 DOOR VEH).

Temporary License Plate for Out-of-State Customers

Out-of-State customers purchasing a vehicle in South Carolina to be registered in another state will continue to receive 30-day temporary plates.

The 30-day temporary plate is a non-traceable plate.

Do not use the 30-day tag for any vehicle that will be titled and registered in South Carolina.



Infrastructure Maintenance Fee

The SCDMV has updated the its Infrastructure Maintenance Fee (IMF) Procedure.

IMF will not be collected on a title-only transaction. It will be collected "upon first registering the vehicle or other item" as stated in SC Code of Laws Section 56-3-627(A).

Rental and Loaner Vehicles

IMF is **not due** on the registration transaction for vehicles that are used for short-term rentals.

The renter will pay sales tax upon renting the vehicle. If the vehicle is removed from the rental fleet and subsequently sold, IMF will be charged when the vehicle is registered in the new owner's name.

If a vehicle is being registered to be used by the dealership as a loaner vehicle, IMF will be due during the registration transaction.



Document Fee

According to SC Code of Laws Section 12-36-90, the vehicle sales price entered on the Application to Title and Register (SCDMV Form 400) must include the vehicle sales price **and** document/closing fee charged by the dealership.

It is not necessary to separate the document fee from the sales price of the vehicle on the Form 400. Include the document/closing fee and any other fee that is a part of the sales price of the vehicle on the form.

Refunds

When the department, through error, collects any fee not required to be paid, please email your request for a refund to cartaxes@scdmv.net.

Send the SCDMV a Refund Request

The refund request must be made within six months after the date of over-payment (SC Code of Laws Section 56-3-890). Requests for refund submitted after 180 days **will not** be processed.

Notice of IMF/Sales Tax Paid to SC Dealers

As a reminder, in February 2020, the SCDMV changed a form associated with IMF.

The Notification of IMF/Sales Tax Paid to SC Dealers (SCDMV Form TI-IMF) **replaced** the TI-002T. If you have any TI-002T forms remaining, please discard them.

The TI-IMF must **only** be used for reporting and submitting payment of the IMF collected for sales to government agencies, commercial fleet, commercial vehicles, and out-of-state purchases. Commercial vehicles must have a commercial insurance policy and submit proof of that policy to the SCDMV with the completed form.

File a Dealer Complaint Online

South Carolinians can now file complaints about dealers even faster by submitting complaints at SCDMVOnline.com.

File a Dealer Complaint

If customers file a complaint online, the customer will receive confirmation of the complaint and be prompted to send supporting documents to the agency to review and process the complaint.

Customers must have an SC driver's license or customer number to file a complaint online. Any **anonymous or out-of-state resident filing a complaint** against an SC dealer **must file a complaint via email, fax, or mail**.

If a customer would rather file a complaint by email or fax, the customer should complete and send the Dealer License and Audit Unit Customer Complaint Form ([SCDMV Form DE-002C](#)) along with all supporting documents to dealerdocuments@scdmv.net or 803-896-8172.

The SCDMV will also accept complaints through the mail to this address:

SCDMV
Attention: Dealer License and Audit Unit

Changes Coming to Odometer Disclosure Requirements

Beginning **January 1, 2021**, odometer disclosure requirements change from ten years to 20 years. For example, in 2019, if a vehicle had a model year 2009 or older, vehicles were exempt from the odometer disclosure requirement.

The new 20-year odometer exemption requirements apply **only** to vehicles that are a 2011 model year or newer. Vehicles manufactured with a 2010 model year or older remain exempt under the 10-year exemption.

Because the effective date of the rule is January 1, 2021 – beginning January 1, 2021, and every calendar year thereafter, states must continue to capture odometer disclosures for model year 2011 and later vehicles.

This type of “rolling” exemption is best described as adding an additional model year worth of vehicles, each January, until the 20-year exemption is fully implemented.

No additional model year vehicles beyond model year 2010 will become exempt until January 2031. After January 2031, each year the exemption will begin to incrementally add a model year vehicle to the vehicles exempt from odometer disclosure requirements.

While the SCDMV does not currently anticipate any change in effective date from the National Highway Safety Transportation Administration, the agency will notify dealerships if the date(s) above change.

Odometer Exemption Applicability to Model Year Vehicles (49 CFR 5800.17)

Vehicle Model Year	Date Vehicle Becomes Exempt from Disclosure	Applicability of Exemption
2000	1/1/2010	10 year exemption
2001	1/1/2011	10 year exemption
2002	1/1/2012	10 year exemption
2002	1/1/2013	10 year exemption
2004	1/1/2014	10 year exemption
2005	1/1/2015	10 year exemption
2006	1/1/2016	10 year exemption
2007	1/1/2017	10 year exemption
2008	1/1/2018	10 year exemption
2009	1/1/2019	10 year exemption
2010	1/1/2020	10 year exemption

2011	1/1/2031, (continue to require odometer disclosure on model year 2011 until 1/1/31)	20 year exemption
2012	1/1/2032, (continue to require odometer disclosure on model year 2012 until on 1/1/32)	20 year exemption
2013	1/1/2033 (continue to require odometer disclosure on model year 2013 until 1/1/33)	20 year exemption
2014	1/1/2034 (continue to require odometer disclosure on model year 2014 until 1/1/34)	20 year exemption
2015	1/1/2035 (continue to require odometer disclosure on model year 2015 until 1/1/35)	20 year exemption
2016	1/1/2036 (continue to require odometer disclosure on model year 2016 until 1/1/36)	20 year exemption
2017	1/1/2037 (continue to require odometer disclosure on model year 2017 until 1/1/37)	20 year exemption
2018	1/1/2038 (continue to require odometer disclosure on model year 2018 until 1/1/38)	20 year exemption
2019	1/1/2039 (continue to require odometer disclosure on model year 2019 until 1/1/39)	20 year exemption
2020	1/1/2040 (continue to require odometer disclosure on model year 2020 until 1/1/40)	20 year exemption
2021	1/1/2041 (continue to require odometer disclosure on model year 2021 until 1/1/41)	20 year exemption

The above excerpts are from the American Association of Motor Vehicle Administrators and the National Highway Transportation Safety Administration.

Receive updates from the
SCDMV



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