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# **Dealer Connection - September 2021**

The South Carolina Department of Motor Vehicles (SCDMV) continues to provide information about ways dealers and business customers can process transactions, from electronic vehicle registration (EVR) to in-person transactions.

In this issue, you'll find information on online dealer license renewals, sales tax and infrastructure maintenance fees (IMF) for out-of-state buyers, Dealer Central branch office updates, and EVR tips.

## **Electronic Dealer/Wholesaler License Renewal Project**

The SCDMV is working on a project for the electronic renewal of dealer/wholesaler licenses.

This project's purpose is to enhance the customer experience by streamlining the dealer license renewal process through an online platform that not only saves time and effort, but also gives dealers more control in managing and viewing dealership profile information during the renewal period.

With Electronic Dealer/Wholesaler License Renewals, dealers will have the ability to verify their insurance and transmit a National Criminal Report electronically, submit additional sales volume, view dealership plates and sales history, and update dealership profile information at any time without having to travel to a branch office.

### **What Dealers Need to Know**

The Electronic Dealer/Wholesaler License Renewal Project will be rolled out in three phases:

#### **Phase I: For Pilot Dealers**

- 1. This phase will allow a small sample of selected/requesting dealers to test the new online system before it is available to all dealers.
- 2. Dealers who are not a part of the pilot group will be required to manually renew their dealer licenses by mailing a renewal application to the Dealer License and Audit Unit at SCDMV headquarters instead of going to an SCDMV branch office. The Dealer License and Audit Unit will process the renewal application and distribute dealer plates (if applicable), registration cards, and decals.

#### Phase II: For All Dealers

- 1. This phase will introduce the new Electronic renewal system to all dealers.
- 2. Dealers will have a grace period of about 3.5 months to use either the online or mail-in option before all renewals are required to use the online system.

### Phase III: All Dealers Are Required To Renew Online

- 1. This phase will **require** all dealers to renew online.
- 2. Mailing in the renewal application to the Dealer License and Audit Unit will no longer be an option.

Below is a tentative timeline\* of when the Electronic Dealer/Wholesaler License Renewal Project will be implemented:

- Phase I: (for Pilot Dealers to test the system) -August 31, 2022
- Phase II: Full Rollout (for all Dealers to operate the new system) -October 12, 2022
- Phase III: All Dealers Transition to Online Only -January 1, 2023

\*Any of the above information and dates are subject to change.SCDMV will continue to provide updates throughout the project development so dealers are notified in advance of any changes to implementation dates or plans. Until the project phases are implemented, dealers should continue to renew their licenses at local branch offices as normal.

### What to Expect During and After Implementation

Beginning with Phase I, dealer plates, registration cards, and decals will no longer be issued from local SCDMV branch offices. These items will be issued through the online renewal system and mailed to the physical or special mailing address on file.



It will take a few days to receive plates, registration cards, and decals in the mail so dealers should renew in a timely manner.

Certain documents will need to be uploaded (i.e. front and back copy of an added employee's driver's license, updated retail license, and/or sales volume) when renewing online.

In preparation for this implementation, it is highly encouraged that dealers maintain updated special mailing addresses (if applicable), phone numbers, and email addresses with the Dealer License and Audit Unit. Dealers may contact the Dealer License and Audit Unit at (803) 896-2611 or <a href="mailto:dealerdocuments@scdmv.net">dealerdocuments@scdmv.net</a> to inquire about the necessity for updating their contact information.

#### **Dealer License Renewal Schedule and Fees**

All dealers will continue to renew annually with a dealer license payment of \$50 and purchase new or renew existing plates with a fee of \$20.

The only acceptable methods of payment for electronic dealer license renewal transactions will be VISA, Master Card, Discover, and American Express.\* Dealers will not be able to make payments via e-check or through their dealer account(s).

Non-pilot dealers mailing in applications to the Dealer License and Audit Unit must include a check or money order made out to the SCDMV.

\*All online payments incur a \$1 + 1.7% service fee for transactions that are paid using a debit or credit card. This is not an SCDMV fee. This service fee is for the processing of debit and credit cards.

### Sales of Motor Vehicles to Residents of Another State

Buyers purchasing new or used motor vehicles, trailers, semi-trailers, and pole trailers that will be registered in other states will not owe IMF fees, but will pay sales tax upon purchasing the item at the rate imposed by the buyer's state of residence. The fee cannot exceed the \$500 maximum imposed by South Carolina.

For South Carolina sales tax and IMF purposes, sales tax due on sales of new or used motor vehicles, trailers, semi-trailers, and pole trailers that are registered and licensed in the buyer's state of residence are taxed at the lesser of the following:

- 1. Sales tax/IMF that would be imposed by the buyer's state of residence; or
- 2. Sales tax/IMF that would be imposed under Title 12, Chapter 36 of the South

Carolina Code of Laws.

No sales tax/IMF is due in South Carolina if a non-resident purchaser cannot receive credit in their resident state for sales tax/IMF paid to South Carolina.

The Affidavit for Intent to License Motor Vehicle, Trailer, Semitrailer or Pole Trailer Purchased in South Carolina in Purchaser's State of Residence Form (Form ST-385) must be completed on **each vehicle** sold to a buyer who is registering the vehicle in another state.

If taxes are collected by the dealership on a vehicle that will be registered and licensed in the buyer's state of residence, the Notification of IMF Fees/Sales Tax Paid to SC Dealers (Form TI-IMF) must be completed by the dealership. The Form TI-IMF and fees collected from the buyer must be submitted to the SCDMV with 45 days from the date of sale of the vehicle.

## **Dealer Central Branch Office Changes**

In order to provide greater customer service to the citizens and businesses of South Carolina, the SCDMV has updated the list of Dealer Central branch offices. Dealer Central offices are able to process dealer packets within three days, while all other offices can process dealer packets within five days.

**Effective October 1, 2021,** the Fort Mill office will no longer be classified as a Dealer Central office. This means that Fort Mill will no longer have a three-day turnaround time for dealer packets.

To continue to service the requirements of dealers, the Lancaster branch office has been added as a Dealer Central branch office and will have a three-day turnaround time for dealer packets.

The updated Dealer Central branches include the following locations:

- Charleston Leeds Avenue
- Chester
- Columbia Shop Road
- Greer
- Irmo-Ballentine
- Lancaster
- Ridgeland

If a dealer or business customer drops off a transaction or packet at any other

SCDMV office, there is a five-day turnaround time.

## **EVR Transaction Tips**

In an effort to better serve business customers, the following is a list of best practices for dealer and EVR transactions:

- Ensure that all completed transactions are submitted to the SCDMV within two business days after the date of processing, per the EVR Program Standards.
- Ensure a coversheet is printed for each transaction.
- When hand-writing dealer work, please write hard enough to make it clear on all copies of the PTO.
- Ensure that all assignments are complete with names and addresses.
- Ensure that mileage is correct on all assignments.
- Ensure the information on the paperwork is clear, such as the cost of the vehicle and whether the IMF was collected. Some customers don't know they have to pay IMF at the SCDMV.
- Verify prior title and title numbers before entering the title information into the EVR system.
- Ensure that the correct out-of-state title number is entered when processing paperwork to prevent titles from going into NMVTIS suspense.
- Ensure that customers buying vehicles with an out-of-state driver's license or identification card submit a Statement of Vehicle Operation in South Carolina (Form TI-006) and proof of address.
- Finalize the deal in EVR. Branch offices are unable to process any dealer transaction that is in a "PENDING EVR" status.
- Ensure that the titles are submitted with the paperwork.
- Add Gross Vehicle Weight (GVW) to trucks.
- Mail EVR paperwork to:
  - SCDMV
  - Vehicle Compliance and Oversight
  - 10311 Wilson Blvd
  - Blythewood, SC 29016-0025



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