

SCDMV Dealer Connection

Updates from SCDMV to You



Secure Powers of Attorney

Secure Powers of Attorney have been the hot topic for SCDMV and automobile dealers since this past Spring when SCDMV started enforcing the correct way to use the *Form 5047 — Power of Attorney for Odometer Disclosure*.

The Form 5047 is a limited POA form used exclusively to disclose the odometer in the absence of the title. It is not used to sign SCDMV forms for the customer in their absence, nor is it used to obtain a duplicate title for customers.

SCDMV suggests using a non-secured power of attorney when selling vehicles. Along with the completed Form 5047 in the absence of the title, the non-secured power of attorney will allow dealership personnel to complete required transactions in the sale of vehicles and for transfer vehicles.

If a dealer has to obtain a duplicate title for a customer who has traded in their vehicle, have the customer sign a completed title application and the Form 5047 before leaving the dealership.

When the dealer receives the duplicate title, or title from the lender, the dealer would certify in section C on the Form 5047 that the odometer on the title is in sync (greater than) with the odometer listed on the title received.

Do you have a topic for this publication? Email sharon.madison@scdmv.net for coverage in the next edition.

New Procedures

There are no new procedures this quarter.

Titling Classes

Oct 29 — Spartanburg — 10 am- 4 pm

Nov 4 — Charleston — 9 am—3 pm

Nov 12 — Florence — 9 am—3 pm

To Schedule:

Call (803) 896-4870

Email tcmscheduling@scdmv.net

FAQ's About Powers of Attorney

What if my trade-in customer (vehicle owner) leaves before he signs the vehicle over to the dealership? If the dealership is in possession of the title, you MUST have the customer assign the title to the dealership. If not, if the title was/is present at the time of the transaction, an unsecured power of attorney must be submitted to support the dealer or other attorney-in-fact to sign on behalf of the owner.

If a non-secured power-of-attorney can be used for nearly anything that is specified on the POA, why do we need to submit the secured POA? The federal government has outlined specific requirements for odometer disclosure if the title is lost or with the lienholder. Those requirements include the disclosure of the odometer on a secure power of attorney authorizing another person to disclose the odometer on their behalf. This requirement is only when the title is not present at the time of transfer because it is lost or being held for lien.

Can the same person sign as the transferor and transferee on the title? Yes, when the 5047 (secured POA) or unsecured power of attorney is present.

We've had problems when the vehicle had a lien with an ELT lender. When the title is received, it does not have a lien on it and the title issue date is before the 5047 date. Why won't SCDMV accept the 5047 and the clear title in these incidences? SCDMV staff have been trained to recognize titles that were previously ELT. Unfortunately, they are unable to make this determination without looking at the title record in SCDMV's database. In the future, previous ELT titles will be identified on the title with a statement indicating the title was a previous ELT.

My customer lost his title for the trade-in vehicle. Can I have the customer sign the 5047 and then my title clerk completes the Form 400 and obtains the title on his behalf? While 5047 must be used to authorize the dealer to disclose the odometer on the title once the title is received; it cannot be used to sign the title application for the customer. Remember, the 5047 is only for odometer disclosure purposes. The trade-in customer should sign the 400 to obtain a duplicate title; or authorize the dealer to sign on their behalf by using a non-secure power of attorney.

Can we use the MC-25 found on the internet as our non-secure POA? The MC-25, is a limited power of attorney specifically for matters related to IFTA fuel taxes and IRP licensing. It cannot be used for vehicle transactions that are not related to IFTA and IRP processes.

Does SCDMV provide a non-secure POA to use? No. Dealers should develop their own POA's using the guidelines outlined by SCDMV. There is no standard format for non-secure POA's; however, the POA must contain the owner of the vehicle, owner naming a person or person(s) as attorney-in-fact to act in all matters relating to a specific vehicle, vehicle's description (VIN, Year, Make and Model), the owner must sign and the signature must be witnessed. The POA does not have to be notarized and the attorney-in-fact does not need to sign.

What if the vehicle owner is unable to appear at the dealership for the transfer? For example, a wife is trading in a vehicle that is in the name of her husband who is in the military and is not present? If the wife has the title in her possession and a POA authorizing her to serve as attorney-in-fact for her husband, a copy of the POA can be submitted along with the signed title. A 5047 is not necessary because the wife can present the title at the dealership at the time of transfer. If, however, the title is lost or with the lienholder, the wife can still sign the Form 5047 for her husband. Then the transaction should be accompanied by both the non-secure and secure POA's.

Quick Hits

Electronic Signatures —

At this time, SCDMV will not accept electronic signatures on title reassignments and odometer disclosure documents — i.e. MCO, Title, PTO, Form 5047, Odometer Disclosure.

Form 400s —

- ◆ Include the owner's SC driver's license number on the application, if applicable.
- ◆ If the lien holder is ELT, please use the ELT customer number provided by the lien holder.
- ◆ Strikeouts are acceptable in any location except odometer disclosure and VIN. SCDMV must be able to view the information being stricken.

PTOs —

Make sure that the print comes through on all four copies.

Odometer Corrections and MCO Backouts —

These transactions must be completed in SCDMV headquarters and cannot be expedited.

