

# February 2019 Special Edition Issue 13

# Dealer Connection

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## From the SCDMV's Dealer License Office

Visit the SCDMV website to stay up-to-date on any law or policy changes for dealers.

There are some thirdparty websites, such as DMV.org, that are not affiliated with the SCDMV. If you are using an unofficial website to complete your business with the SCDMV, you are more likely to have incomplete paperwork and increased processing time.

Do not use a website that is not www.scdmvonline.com to conduct business







# Changes are coming to 'Temp Tags'



# Non-trackable 'paper tags' no longer allowed on SC roads

Wednesday, Beginning May 15, 2019, you should start phasing out the use of non-trackable 'paper tags' that currently contain only the register-by date on newly purchased vehicles in South Carolina. As of 12:01 a.m. on Monday, November 11, 2019, law enforcement officers can ticketing begin drivers who have this style of license plate versus the new, trackable temporary plate.

New temporary license plates in South Carolina will have a unique alpha-numeric code that will be tied to the purchaser of the vehicle. No longer can license plates only contain a date such as "03/01/2019" showing that the vehicle must be properly registered with a metal plate by the date on the paper tag.

These changes come as a result of S. 1083 signed into law by Governor Henry McMaster in the spring of 2018. While the effective date of the legislation is May 15, 2019, there is a 180-day phase-in period meaning the full implementation and enforcement begins on Monday, November 11, 2019. You may use any temporary plate stock until then.

There are two options for dealers when it comes to issuing trackable temporary plates.

1) You will need to register with an electronic vehicle registration (EVR) provider. You will need a computer, laser printer, and internet access that is compatible with the provider and all SCDMV requirements.

2) If you do not wish to partner with an EVR provider and purchase any needed equipment, you must visit an SCDMV branch after every sale, but before a customer drives the vehicle off the lot, to purchase a printed trackable temporary plate over-the-counter.

The SCDMV-issued new, temporary plate is also being redesigned. ΑII temporary plates will follow the same alpha-numeric sequence, yet the images around the plate may change based on any dealer advertising. According to the law, dealers can advertise on the top 50% of the temporary plate. Plate examples will be released in the April Dealer Connection.



'Temp Tags' FAQs



What do I do with any old card stock remaining after November 10, 2019? You must discontinue the use of and discard any old cardstock after November 10, 2019. There is no reimbursement offered for any remaining or unused cardstock.

## What happens if I deplete my cardstock, but I am not yet able to issue the new temporary license plate through an EVR provider?

You would have to come to an SCDMV branch after every sale and before a customer drives a vehicle off the lot to buy a temporary plate. You cannot buy temporary plates in bulk.

#### How will dealers receive cardstock?

Dealers will place all reorders through their EVR provider. EVR providers will maintain all reorder and inventory information. Providers will communicate with the South Carolina Automobile Dealers Association (SCADA) and/or the Carolina Independent Automobile Dealers Association (CIADA) regarding cardstock.

## How will trackable temporary plates as described in SC Code of Laws Section 56-3-210 impact spot deliveries?

A vehicle cannot carry a temporary plate until the vehicle is sold. Dealers may use a dealer plate for up to seven days if the dealer is providing a vehicle demonstration for a customer.

#### How are casual sales impacted?

All casual buyers must purchase a temporary plate from the SCDMV with the bill of sale. **A seller can no longer purchase a temporary plate.** As of this newsletter, fees have not changed.

#### Are there new features on the trackable temporary plate?

The SCDMV is working with the dealers' associations on security features and specifications.

#### For a consumer, will this reduce the time waiting for registration by mail?

The SCDMV anticipates the consumer will receive his or her registration faster since the vehicle information is entered at the time of the sale.

# 'Temp Tags' FAQs



## Will every vehicle sold by a dealer need a temporary plate even if the customer is transferring a plate?

Yes with the exception of vehicle purchases that involve transferring a plate. When purchasing a vehicle and transferring a plate, a temporary plate is optional.

## What should a customer do with the temporary plate once he or she receives the metal plate?

The customer should discard and dispose of the temporary plate once he or she receives the metal plate. The temporary plate immediately becomes invalid.

#### Are there any new fees for temporary plates through EVR?

Yes. Per South Carolina Code of Laws Section 56-19-265, there is a \$2.50 EVR fee. As of this newsletter, there are no changes in SCDMV fees for temporary plates.

#### Which type of temporary plates are impacted?

This law impacts motorcycles, recreational vehicles, and passenger vehicles. It does not impact mopeds.

#### Will this impact 30-day transit plates?

No. A 30-day transit plate for out-of-state customers purchasing a vehicle from a South Carolina dealer will not be impacted. Dealers should continue to use the 30-day transit plate under the current process.

## Will a South Carolina resident be able to drive out of state with a trackable, 45-day temporary plate?

It is the discretion of the other state's law enforcement officers whether to honor South Carolina's 45-day plate.

### Will a temporary plate require a registration decal? No.

#### Will a casual buyer be able to buy a temporary plate at the county treasurer's office?

County treasurer offices are not required to issue temporary plates, however they may choose to participate in issuance. As of this newsletter, county representatives have not expressed plans to issue the new temporary plate. A casual buyer should contact his or her county to further inquire.



## **Current EVR Providers & Association Contacts**

**Computerized Vehicle Registration:** Patrick Murphy, CVR State & Inventory Operations Manager; Phone: 843-693-5010, Email: PMurphy@CVRConnect.com or Tony Tillis, Territory Manager for GA, NC, & SC: Phone: 404-655-5276, Email: TTillis@CVRConnect.com

**Decision Dynamics, Inc.:** Phone: 844-836-1621, Email: Sales@DDITechnology.com

**Title Tec:** Trey Trammell, Area Sales Director; Phone: 803-626-4405,

Email: Trey.Trammell@titletech.com

South Carolina Automobile Dealers Association (SCADA) - 803-252-0205 Carolina Independent Automobile Dealers Association (CIADA) - 800-432-4232 or 704-455-2117

# **IMF Reminders**

All dealers must collect IMF. If you do not collect IMF, you will receive a points violation from SCDMV dealer agents.

Effective January 1, 2019, the SCDMV no longer accepts the Title Application (SCDMV Form 400) with a revision date prior to 2/2018. Further, the vehicle sales price listed on the Title Application (SCDMV Form 400) should include the document fee, as confirmed by the South Carolina Department of Revenue and SCADA.

Below, you'll see two examples of how the sales price, trade-in price, and tax credit should be indicated on the Title Application (SCDMV Form 400) until the new forms are distributed. Indicate trade-in and/or tax credit only if applicable.

#### SECTION F - SELLER INFORMATION

SELLER OR DEALER NAME	SC DEALER/WHOLE SALER NO.	SC SALES TAX NO.	SALES PRICE	TRADE-IN
Seller/Dealer Name	Dealer/Wholesaler No.	SC Sales Tax No.	\$15,000.00	\$5,500.00
SELLER/DEALER ADDRESS		CITY	STATE	ZIPCODE
Seller/Dealer Address		Seller/Dealer City	State	Zip Code

In the example above, the IMF is based on \$9,500. A seller/dealer would subtract the trade-in value from the sales price to calculate the IMF. In this scenario, the buyer would owe \$475 in IMF (5% of \$9.500.)

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SELLER OR DEALER NAME	SC DEALER/WHOLE SALER NO.	SC SALES TAX NO.	SALES PRICE	TRADE-IN
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SELLER/DEALER ADDRESS		CITY	STATE	ZIPCODE
Seller/Dealer Address		Seller/Dealer City	State	Zip Code

In the example above, the IMF is based on \$10,000. A seller/dealer would subtract the trade-in value from the sales price to calculate the IMF. In this scenario, the buyer would owe \$500 in IMF (5% of \$10,000). This is the maximum amount of IMF a buyer would owe.

## **IMF Reminders cont'd**



According to SC Code of Laws Section 56-3-630, pick-up trucks with an empty weight of 9,000 pounds or less or a gross vehicle weight of 11,000 pounds or less are passenger vehicles and exempt from IMF when registered to **active duty military members** as of November 19, 2018. Active duty military members who claim South Carolina as their home state on their LES (Leave & Earning Statement) are still required to pay IMF.

Lessees purchasing the vehicle they leased **who are the original registrant** of that vehicle do not have to pay IMF when purchasing the vehicle off the lease. The lessee would have paid the IMF when leasing the vehicle for the first time.

# **2019 Dealer Training**

Once a month, the SCDMV provides training sessions on titling and registering vehicles in South Carolina. This is designed for dealership employees who complete title and registration documents for customers. Each class is held at an SCDMV branch. You should register as early as possible, and you can find more information online.

- FEBRUARY 20, 2019 BLYTHEWOOD 10311 WILSON BLVD., BLYTHEWOOD, SC 29016
- MARCH 20, 2019 GREENVILLE 15 SALUDA DAM ROAD, GREENVILLE, SC 29611
- APRIL 17, 2019 BLYTHEWOOD 10311 WILSON BLVD., BLYTHEWOOD, SC 29016
- MAY 15, 2019 CHESTER 508 BELT ROAD, CHESTER, SC 29706
- JUNE 19, 2019 BLYTHEWOOD 10311 WILSON BLVD., BLYTHEWOOD, SC 29016
- JULY 17, 2019 CONWAY 4103 HIGHWAY 701 NORTH, CONWAY, SC 29526
- AUGUST 21, 2019 BLYTHEWOOD 10311 WILSON BLVD., BLYTHEWOOD, SC 29016
- SEPTEMBER 18, 2019 LADSON 135 WIMBERLY WAY, LADSON, SC 29456

The class is held from 10 a.m. - 3 p.m. You can sign up by calling SCDMV Training and Change Management at 803-896-4870 or by emailing <a href="mailto:TCMscheduling@scdmv.net">TCMscheduling@scdmv.net</a>.

# **Future Dealer Connections**

Stay informed! Save this link: http://www.scdmvonline.com/Business-Customers/Dealers/Dealer-Communications to make sure you see future Dealer Connections. The SCDMV will phase-out distributing the newsletter via email.

Dealer Connections, unless a special edition, will be published as close to April 1 and October 1 as possible.

TSGDMV