

# South Carolina Department of Motor Vehicles



**Dealer and Wholesaler Manual  
January 2018**

## PURPOSE AND SCOPE

The South Carolina Department of Motor Vehicles (DMV) has developed a Dealer and Wholesaler Manual to provide new and existing dealers with up-to-date information. This manual lists requirements mandated by state and federal law, and DMV's policy. It is also designed to instruct dealers on how to complete certain types of documents and about the proper maintenance of dealer records.

Dealers should review the Dealer Manual and familiarize themselves with its contents. The sections of the Dealer Manual are arranged by topic, with a table of contents and with instruction sheets for certain documents. The information in this Dealer Manual is not protected by copyright, and may be reproduced in part or in whole, as needed.

Changes in law or policy may require periodic updates to the Dealer Manual. The manual will be placed on DMV's website. Sections of the law appearing in this manual may be paraphrased for simplicity or to reflect DMV's interpretation. Customers wishing to research specific sections of the law may do so by visiting our website at: [www.scdmvonline.com](http://www.scdmvonline.com)

If you have comments or suggestions related to this manual, please contact us at the below address or via phone at (803) 896-2611:

South Carolina Department of Motor Vehicles  
Dealer License & Audit Unit  
P. O. Box 1498  
Blythewood, SC 29016-0023

### DISCLAIMER:

**The state motor vehicle laws are not reproduced in their entirety and the wording is not identical. Due to possible legislative changes in federal and state law and SCDMV policy, the information in this manual may not always be current. SCDMV will make every effort to incorporate any changes as soon as possible. If a conflict appears between the language of this manual and the language of South Carolina law, the law will prevail.**

# Table of Contents

<b>Section I – DEALER LICENSES</b> .....	1-5
Types of Dealer Licenses .....	1-6
How to Apply .....	1-8
Renewal Applications .....	1-10
Dealership Requirements .....	1-11
Dealer Plates .....	1-14
Temporary Tag Law .....	1-17
<b>Section II – TITLING AND REGISTERING VEHICLES</b> .....	2-1
South Carolina Requirements .....	2-2
Types of Titles .....	2-3
State and County Taxes .....	2-5
Out-of-State Buyers .....	2-6
Electronic Vehicle Registration .....	2-9
<b>Section III – DEALER AUDITS AND INSPECTIONS</b> .....	3-1
Dealer Licensing and Audit Unit/Pre-Licensing Inspection .....	3-2
Dealer and Wholesaler Audits .....	3-4
Record Inspections .....	3-5
<b>Section IV – COMPLAINTS</b> .....	4-1
<b>Section V – LEGAL SECTIONS</b> .....	5-1
Know Your Legal Rights .....	5-2
Dealer Sanctions .....	5-3
Dealer Performance Violations .....	5-4
Other Record Violations .....	5-5
Examples .....	5-6
Administrative Hearings .....	5-7
Sections of Law Regulating S.C. Dealers .....	5-8
<b>Section VI – FORMS</b> .....	6-1
Commonly Used DMV Forms .....	6-2
Buyers Guide .....	6-8
Certificate of Origin for a Vehicle .....	6-9
Certificate of Title of a Vehicle .....	6-10
Affidavit & Notification of Sale of Motor Vehicle .....	6-11
30-Day Temporary Plate Registration .....	6-12
Copy of 30-Day Plate .....	6-13
Application for Temporary Permit and Plates .....	6-14
<b>Section VII – GLOSSARY OF TERMS</b> .....	7-1

## **A Message from the South Carolina Department of Motor Vehicles**

As a South Carolina dealer or wholesaler, the services you provide your customers are an important part of the state's economy. This manual is designed to assist you in the operation of your business and give you a better understanding of the procedures required by law.

We know that the buying, selling, titling and registration of motor vehicles can be a complicated process and SCDMV employees are available to assist you. It is important to maintain accurate records and ensure that each and every transaction is documented correctly.

Please review this manual and contact our Dealer Licensing and Audit Unit if you have any questions. As laws change, this publication will be supplemented to keep you informed.

# **SECTION I**

## **DEALER LICENSES**

# TYPES OF DEALER LICENSES

The Department of Motor Vehicles (DMV) issues several types of licenses for buying, selling and trading motor vehicles. The type of business you wish to operate should determine the type of license appropriate for you. Each license is valid for 12 months and must be displayed prominently in your place of business. Each license applies to only one dealer at one business location and is not transferable to any other dealer or location. The fee for each license is \$50. If you operate as a dealer or wholesaler without the proper license, you may be convicted of a misdemeanor and fined up to \$10,000 and/or imprisoned for up to two years.

## **MOTOR VEHICLE DEALER LICENSE**

A motor vehicle retail dealer license, the most commonly issued license, will allow you to sell retail or wholesale motor vehicles in your inventory. Vehicles may be sold to the general public and any other dealer or wholesaler.

As a licensed dealer, you are not required to sell a specific number of vehicles to maintain your license. However, you must have a dealer license if you sell or attempt to sell more than five vehicles in a calendar year.

## **MOTOR VEHICLE WHOLESALER LICENSE**

Licensed motor vehicle wholesalers differ from dealers in that the law restricts to whom they can sell motor vehicles. As a licensed wholesaler, you may only sell vehicles in your inventory to licensed motor vehicle dealers or other licensed wholesalers. There are no limitations on or requirements for the number of vehicles you sell in a calendar year. In addition, as a licensed wholesaler, you are not required to sell a specific number of vehicles to maintain your license. However, you must have a wholesaler license if you sell or attempt to sell more than five vehicles in a calendar year.

## **MOTOR VEHICLE WHOLESALE AUCTION LICENSE**

A motor vehicle wholesale auction license allows you to conduct a motor vehicle auction in your place of business. You do not own the vehicles auctioned. Other businesses actually own, buy or sell the vehicles. Your wholesale auction license permits you to provide a building or place to conduct the auction. If you choose to purchase and sell vehicles belonging to the auction, you may do so.

## **MOTORCYCLE DEALER LICENSE**

As a retail motorcycle dealer, you are licensed to sell retail or wholesale motorcycles in your inventory to the general public or any other dealer or wholesaler. As a licensed motorcycle dealer, you are not required to sell a specific number of motorcycles to maintain your license. However, you must have a dealer license if you sell or attempt to sell more than five motorcycles in a calendar year.

## **MOTORCYCLE WHOLESALER LICENSE**

Licensed motorcycle wholesalers are limited to selling motorcycles to licensed motorcycle dealers or other licensed motorcycle wholesalers. In addition, as a licensed wholesaler, you are not required to sell a specific number of vehicles to maintain your license. However, you must have a motorcycle wholesaler license if you sell or attempt to sell more than five motorcycles in a calendar year.

## TRAVEL TRAILER DEALER LICENSE

You are required to be a travel trailer dealer if you sell or attempt to sell:

- one travel trailer that has never been titled.
- more than three previously titled travel trailers in a calendar year.

**NOTE:** These dealers are issued a regular dealer's license marked *Travel Trailer Dealer*. This dealer license expires on December 31 regardless of issue date. Only travel trailers [also called campers, RVs, and motor homes] are issued this type of license. The sale of utility and other trailers do not require a dealer license.

## (TEMPORARY) TRAVEL TRAILER/CAMPER DEALER LICENSE

You must be a licensed South Carolina travel or camper trailer dealer to apply for a temporary travel trailer dealer license. This temporary license permits you to exhibit and sell travel trailers or motor homes at fairs, recreational and sports shows, vacation shows and other similar events. Dealers may not purchase more than six temporary licenses in one year. This license applies to only one dealer operating in one location and is not transferable to any other dealer or location.

The temporary travel trailer/dealer camper license is valid for 10 consecutive days, and the fee is \$20 per license. DMV Form 417-C: Application for a Temporary Motor Home or Travel Trailer Dealer License must be completed in order to obtain this license.

## TRANSPORTER PERMIT

A "transporter" is a person engaged in the business of moving motor vehicles for the following purposes:

- from a manufacturer to a dealer;
- from a railroad terminal to a temporary storage facility- prior to delivery to a dealer;
- for further construction of cabs or bodies; or
- in connection with the foreclosure or repossession of *these* vehicles owned or controlled by the registrant.

The word "these" above clearly refers to the motor vehicles mentioned previously in the Section, each of which refer to: transport to dealers or distributors, storage prior to delivery to a dealer, or moving the vehicles to places where they may be further altered or "customized"—where all of such movements occur prior to the retail sale of the vehicles. In such limited circumstances of pre-retail movement of vehicles, situations such as resale, defaulting dealers, or customizers may arise in which the retrieval of the vehicles becomes necessary. **The language of the statute, however, does not support a special plate for businesses engaged in repossessions of defaulting retail customers (SCDMV, Transporter Letter).**

A person applying for a transporter permit must complete DMV Form DLA-3, Application for License as Motor Vehicle Transporter. The annual fee for a transporter permit is \$50. Transporters may also purchase transporter plates for an annual fee of \$10 per plate. Transporter plates may be transferred from vehicle to vehicle, but must not be used on vehicles that are loaned, rented, or leased. To use transporter plates you must have obtained a transporter permit or be an employee of the permit holder with your name and drivers license on file with the DMV.

## Brokers and/or Internet Dealers/Wholesaler

Brokers and/or Internet Dealers/Wholesalers must comply with all current dealer requirements.

## **PENALTY**

If you operate as a dealer, wholesaler, auto auction, or transporter without the proper license, you may be convicted of a misdemeanor and fined up to:

1. \$200 and/or imprisoned for up to 30 days for first offense.
2. \$1,000 and/or imprisoned for up to six months for second offense.
3. \$10,000 and/or imprisoned for up to two years for third and subsequent offenses.



# HOW TO APPLY

Before beginning business operations as a dealer or wholesaler, you must pay all required fees to the Department of Motor Vehicles. Depending upon the type of license you require and whether you have been licensed before, your licensing requirements may differ.

## INITIAL/NEW DEALER LICENSE APPLICATIONS

To obtain any type of dealer or wholesaler license, you must complete all required applications and pass an inspection by the Department of Motor Vehicles' Dealer Licensing and Audit Unit. As a first-time applicant or wholesaler changing to a retail dealer license you must, submit the following documents:

- DMV Form DLA-1: Application for Dealer or Wholesaler License
- DMV Form DLA-1B: Motor Vehicle Dealer and Wholesaler Surety Bond with an appropriate power of attorney
- Certificate of Completion from an approved eight hour dealer pre-licensing class

No fees are required when submitting your application. Your application and documents must be presented or mailed to the address below:

**South Carolina Department of Motor Vehicles  
Dealer Licensing and Audit Unit  
P.O. Box 1498  
Blythewood, SC 29016-0023  
For questions, call (803) 896-2611**

### Application

**DMV Form DLA-1: Application for Dealer or Wholesaler License** is the application to complete for a dealer or wholesaler license. You must indicate the type of business you intend to operate, the address of your dealership and information regarding your employees. The application also requires you to provide estimates regarding the number of vehicles you expect to sell during the first year of operation.

### Surety Bond

**DMV Form DLA-1B: Motor Vehicle Dealer and Wholesaler Surety Bond** insures that every dealer or wholesaler applicant furnishes a surety bond. The amount of the bond varies depending on the type of dealer or wholesaler (see DMV form DLA-1B for details) applied for. You must submit your original Surety Bond and Power of Attorney with DMV Form DLA-1: Application for Dealer or Wholesaler License at the time of your application. The purpose of the bond is to provide indemnity for loss or damage caused an individual due to fraud or fraudulent representation in relation to a sale or transfer of a motor vehicle by a licensed dealer, wholesaler, or their employees.

Your bond must be in effect before the DMV will issue a license to you. The owner, partner, or corporate officer of the dealership must sign the surety bond. If you should change your bonding company, you must mail a new surety bond and Power of Attorney to the Dealer Licensing and Audit Unit as indicated below:

South Carolina Department of Motor Vehicles  
Dealer Licensing and Audit Unit  
P.O. Box 1498  
Blythewood, SC 29016-0023

## **DEALER PRE-LICENSE COURSE**

**Certificate of Completion from an Approved Eight Hour Dealer Pre-licensing Class. (Note: Franchised dealers, wholesalers, auto auctions, and motorcycle dealers are exempt from the pre-license course.)**

## **INFORMATION CHANGES**

Any changes in the information provided on your application (DMV Form DLA-1: Application for Dealer or Wholesaler License) must be reported to the SCDMV Dealer License & Audit Unit within 30 days, along with a new surety bond or a rider. If you move your dealership to a new location, change the name of the business, change ownership or change your status from a wholesaler to a dealer, you must complete and submit a new application. In the event you cease operating as a dealer or wholesaler, you must notify the DMV within 10 days and return your dealer or wholesaler license as well as any dealer plates issued to you.

## **INITIAL INSPECTION**

Once your application is processed by the Dealer Licensing and Audit Unit, a DMV agent will contact you to schedule an initial inspection of your place of business. During this inspection, the DMV agent will determine whether or not your place of business and operational procedures qualify you as a motor vehicle dealer. Depending upon your status as a dealer or wholesaler, certain requirements must be met for you to pass the inspection (see Sections 1-8 and 1-9 Dealership Requirements).

Once the inspection is completed, you will be notified within 10 working days whether your license is approved or disapproved. If disapproved, you may request an administrative hearing to contest the DMV's action. See Section V of this manual on how to request an administrative hearing.

If you have multiple locations, you must apply for a separate license and have a separate surety bond for each location.

# RENEWAL APPLICATIONS

Your dealer license expires 12 months from the month of issue, except travel trailer dealer licenses, which expire on December 31<sup>st</sup>. To renew your dealer or wholesaler license, you must complete and submit the following documents to a local DMV field office:

- **DMV Form DLA-1: Application for Dealer or Wholesaler License,**
- **DMV Form DLA-1C: Certification of Vehicles Sold by Dealer** (required if purchasing dealer plates.)

Dealers may substitute another form to certify sales. However, the identical information that the DMV requires must be indicated. The DMV reserves the right to authorize other certifications.

**Individual bills of sale or other individual documents will not be accepted.**

**Note:** If you purchased a new surety bond since your last application, you must submit your original bond and Power of Attorney when you renew your license at your local DMV Field office.

## Inspections for Renewals

Some applicants require facility inspection prior to renewal. The following criteria determine whether or not an inspection is required for a renewal applicant:

1. The dealer or wholesaler license has been expired for more than 90 days;
2. The status of the license has changed (wholesaler to retail dealer or vice versa);
3. The name and/or address of the dealer or wholesaler changed;
4. The ownership or location changed.

**NOTE: If any of these changes occur, you must contact the Dealer Licensing and Audit Unit at 803-896-2611.**

## TIPS TO REMEMBER...

- ◆ The name and address on your surety bond must match the name and address on your application.
- ◆ The names, addresses, and driver's license numbers of all your employees must be furnished on the reverse side of your application. If additional space is needed, please attach a separate sheet of paper.
- ◆ Prior to moving or changing the name of your dealership, a DMV agent must inspect your new location before a new license can be issued.
- ◆ If you have been assigned a new address by the 911 system or post office, you must submit a new application, letter from the Post Office and an address change rider from your bond company.
- ◆ If you are applying for a retail license, you must provide your South Carolina sales tax number.
- ◆ If you are applying for a wholesale only license, you must provide your South Carolina Sales Tax exempt number.
- ◆ You should submit only original documents for processing.
- ◆ Before you apply for a dealer license, you must file articles of authorization with the S. C. Secretary of State. Example: "Inc" or "LLC."

# DEALERSHIP REQUIREMENTS

Certain criteria must be met for your business to operate legally in South Carolina. Your Dealer Agent can explain the requirements and offer suggestions.

## BUILDING REQUIREMENTS

### **Building Structure (Not Required for Wholesalers)**

As a motor vehicle dealer, you must maintain a bona fide established place of business that is a permanent enclosed structure or building. Your building, whether a permanent structure or mobile home, must have at least 96 square feet of floor space. The structure cannot be a residence, tent, temporary stand or other temporary quarters. The building also must be easily accessible to the public. The principal business conducted in the building by the dealer (except motorcycle dealers) must be the selling or exchanging of vehicles. Your records, files, and books shall also be maintained and housed in this structure. Businesses must post the days and hours of operation.

### **Sign (Not Required for Wholesalers)**

Your business location must display a permanent sign with lettering that is at least six inches in height. Your sign must be clearly legible from the nearest avenue of traffic, and must clearly identify your business.

### **Lot (Not Required for Wholesalers)**

As a dealer, you must have a reasonable area and/or lot to properly display motor vehicles. Reasonable area is defined as a 2,000-square-foot minimum, excluding alleys and driveways. The total area may include a display area and lot located at the same address. Dealers are encouraged to contact the Dealer Licensing and Audit Unit at (803) 896-2611 to discuss facility requirements.

### **Zoning and Business License Regulations**

Dealers should research and comply with all local zoning and business license regulations.

### **Garage Liability Insurance**

You must obtain garage liability insurance prior to applying for dealer demonstration plates. Upon cancellation of garage liability insurance, you will be required to surrender dealer plates to your local DMV. If you decide to operate your business without dealer plates, obtaining garage liability insurance is optional. **(NOTE: Dealers may discuss any potential issues with their respective dealer agents by contacting the Dealer Licensing and Audit Unit (803) 896-2611.)**

## DISPLAYING YOUR DEALER OR WHOLESALER LICENSE

Once you receive your dealer license, you must display it in a prominent place in your business.

## BUYER'S GUIDE

Federal law requires that every used vehicle for sale on a dealer lot must have a completed "Buyer's Guide Form" in the window. This form indicates whether the used vehicle is being sold under warranty or "As Is" without a warranty. When the vehicle is sold, one copy of the form must remain with the dealer's records and another copy must be given to the customer buying the vehicle. The purchaser should sign both copies. This requirement protects dealers and customers from any misunderstandings. A "Buyer's Guide" must be signed by both parties to be enforceable.

## RECORDS

Every dealer is required to keep complete records of each sales transaction at the licensed location. These records must be maintained for four (4) years from the date of the transaction. To be accurate and complete, these records must reflect the following on all incoming and outgoing documents:

1. The correct name and address of the buyer and seller of the vehicle.
2. The correct date of the transaction.
3. A correct description of the vehicle, which includes the vehicle identification number, year, make, model, and body type.
4. The Federal Odometer Disclosure Statement; the odometer reading at the time the vehicle was transferred to and from the dealer or wholesaler.

The DMV requires that these records be available for inspection and duplication by a DMV agent during normal business hours at all reasonable times. Your records must be maintained in a reasonably organized and orderly manner. All entries must be legible upon inspection. If your records are not kept in this fashion, you could receive a sanction from the DMV. Any dealer or wholesaler who fails to keep the required records or fails to make them available upon inspection is guilty of a misdemeanor. Upon conviction, the dealer or wholesaler may be fined up to \$200, imprisoned for up to 30 days and/or lose his or her dealer license.

## SOUTH CAROLINA DEPARTMENT OF CONSUMER AFFAIRS

All businesses including Motor Vehicle Dealers that extend credit to consumers and have gross sales in excess of \$150,000 are required to file a "Consumer Credit Grantor Notification" form with the South Carolina Department of Consumer Affairs (SCDCA). Additionally, all businesses, including Motor Vehicle Dealers, that impose a finance charge on credit sales or consumer loans in excess of 18% APR must file a Maximum Rate Schedule with the SCDCA. Also, every Motor Vehicle Dealer charging closing fees on a Motor Vehicle sales contract shall pay a one-time registration fee of ten dollars (\$10.00) during each state fiscal year (July - August 31). For more information contact:

South Carolina Department of Consumer Affairs  
3600 Forest Drive, Suite 300  
P.O. Box 5246  
Columbia, South Carolina 29250  
Website: [www.sccoconsumer.gov](http://www.sccoconsumer.gov)  
(Forms available on Web)  
or call (803) 734-4200

## SOUTH CAROLINA DEPARTMENT OF REVENUE

You can register for the most common state business taxes by completing Form SCTC-111, Business Tax Application, which can be obtained from the Department of Revenue (DOR) website at [www.sctax.org](http://www.sctax.org) or by calling DOR's Forms Office at (803) 898-5599. You can use this form to register for a retail license, a purchaser's certificate of registration, solid waste tax, business personal property tax, and income tax withholding.

## \$500 MAXIMUM TAX

Beginning on July 1, 2017, any person who purchases or leases a vehicle, trailer, semi-trailer, or other automobile (that will be titled and/or registered in SC) will owe an Infrastructure Maintenance Fee (IMF), instead of paying a sales tax fee. The IMF amount is 5% of the purchase price, up to a maximum of \$500. Vehicles sold prior to July 1, 2017 will remain at the previous \$300 sales tax cap and the sales tax for those transactions will be submitted to DOR. For more information on the maximum tax, please contact SCDMV via email at [CarTaxes@scdmv.net](mailto:CarTaxes@scdmv.net).

For more information on the maximum tax, please contact the DOR Sales Tax Department at (803) 898-5800.

## **SALES OF MOTOR VEHICLES TO NON-RESIDENTS**

Sales of new or used motor vehicles, trailers, semi-trailer, and pole trailers—to residents of another state—are taxed at the rate imposed by the purchaser's state of residence. The fee cannot exceed the \$500 maximum tax imposed by South Carolina.

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

1. Sales tax/IMF that would be imposed on the purchaser's state of residence, or
2. Tax/IMF that would be imposed under 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. Form ST-385: Vehicle Affidavit for Nonresident must be completed on each vehicle sold to a non-resident.

For more information pertaining to taxes/IMF, visit the Department of Revenue's home page on the Internet at [www.sctax.org](http://www.sctax.org). Tax laws, regulations, policy documents, publications, forms, electronic services, various links and attorney general opinions may be found there.

## **SALES TAX**

As a retail dealer, you must collect sales tax/IMF on any sale. You can obtain your required sales tax number from the Department of Revenue. For each sale, you should complete DMV Form 400: Application for Certificate of Title and Registration for Motor Vehicle or Manufactured Home/Mobile Home, and indicate your dealer license number and sales tax number.

# DEALER PLATES

Once you become a licensed dealer or wholesaler, you may purchase dealer (demonstration) plates from your local DMV. The purchase and use of these plates are limited as listed below:

## QUALIFYING FOR DEALER PLATES

To be eligible to purchase dealer plates, you must:

1. Be a licensed South Carolina dealer or wholesaler;
2. Furnish proof of garage liability insurance; and
3. Document the number of vehicles sold in the previous year on DMV Form DLA-1C, "Certification of Vehicles Sold by Dealer."

If a dealer has been in business one year, she/he may purchase dealer plates based on the number of vehicles sold in the preceding 12 months. (**Example:** Upon the first 15 vehicles sold during the preceding year, a dealer—not participating in the manufacturer program—may purchase two dealer plates; for each 15 additional vehicles the dealer sells beyond the initial 15, the dealer may purchase one additional plate.) This formula will vary depending upon the type of dealer plate you purchase.

A dealer participating in a *manufacturer program* may purchase two dealer plates upon the first 15 vehicles sold and may purchase two additional plates for each 15 vehicles sold beyond the initial 15 sales (during the preceding year).

A **Manufacturer Program** is a program where franchise dealerships, licensed in South Carolina, provide consumers whose vehicle is being serviced or repaired by the dealership a loaner vehicle with a dealer demonstration plate. The vehicle displaying the license plate must meet two conditions: 1) the dealer is part of a manufacturer program and 2) the loaner vehicle along with the plate is given to the consumer, by the dealer, at no charge for no more than thirty days.

The table below specifically shows the comparison of dealer plates purchased, **based on a dealer's (non)participation in a manufacturer's program.**

	Can Purchase 2 Plates?	Conditions to Purchase 2 Plates?	Can Purchase <u>Additional</u> Plates?	# of <u>Additional</u> Plates Can Purchase?
<b>DEALER (<u>NOT PARTICIPATING</u> in Manufacturer Program)</b>	YES	Must sell 15 vehicles during the preceding year	YES	<b>One</b> additional plate may be purchased for each 15 vehicles sold <i>beyond the initial 15</i> (during the preceding year)
<b>DEALER (<u>PARTICIPATING</u> in Manufacturer Program)</b>	YES	Must sell 15 vehicles during the preceding year	YES	<b>Two</b> additional plates may be purchased for each 15 vehicles sold <i>beyond the initial 15</i> (during the preceding year)

A dealer cannot qualify for a third plate until he or she sells 30 vehicles (15 vehicle sales plus an additional 15 vehicle sales). This formula will vary depending upon the type of dealer plate that is purchased.

The table below lists the types of dealer plates available:

DEALER	DEALER PLATE INFORMATION	SPECIAL RESTRICTIONS (OTHER RESTRICTIONS LISTED BELOW)
<b>Auto, Motorcycle or Travel Trailer/Camper/RV, Dealers and/or Wholesalers</b>	Two plates may be purchased after 15 sales. One additional plate may be purchased for each 15 sales, beyond the initial 15. No maximum limit on purchase.	Dealers are restricted from carrying cargo. Purchasers may carry cargo for up to 7 days with a demo certificate.
<b>Heavy Trucks</b>	No minimum sales required. No maximum limit on purchase.	May only be used on heavy trucks (16,000 lbs. or greater). Dealers are restricted from carrying cargo. Purchasers may carry cargo for up to three days with a demo certificate.
<b>Antique Dealer</b>	Plates may be purchased after 5 sales. Purchases are not restricted by formula. No maximum limit on purchase.	May only be used on antique vehicles (30 years old or older).
<b>Wholesale Auto Auction</b>	Two plates may be purchased after 15 sales. One additional plate may be purchased for each 50 sales, beyond the initial 15. Maximum limit is 75 plates.	Use to transport vehicles in the course of doing business.

**NOTE:** Dealers licensed **less than one year** shall be issued, by the Department, a number of dealer plates based on estimated sales for the coming year. The Department may increase or decrease the number of plates issued based on actual sales made. The sales requirement may be waived by the Department if the dealer has been licensed for **less than one year**.

Dealer plates cost \$20 per plate. Dealer plates are for demonstration vehicles. They cannot be used on wreckers, rollbacks, leased, rented, or service vehicles. The vehicle (except heavy trucks) cannot perform a commercial service.

The transfer of ownership between the same individual or corporation more than once is considered one sale. Multiple transfers of motor vehicles between dealers for the purpose of meeting eligibility requirements are prohibited

## DEALER PLATE RESTRICTIONS

The use of dealer plates is limited to vehicles that are:

1. Owned by the dealership;
2. Assigned to the dealership;
3. Issued to prospective buyers for test-driving purposes;
4. Being serviced or repaired by the dealership—provided the loaner vehicle displaying the license plate is:
  - a) part of a manufacturer program and
  - b) the loaner vehicle along with the plate is given to the consumer, by the dealer, at no charge for no more than thirty days.

Vehicles equipped with dealer plates may be driven on South Carolina highways by owners, employees, and dealership corporate officers.



Employees, owners, and agents who drive or may drive dealer-owned vehicles using dealer plates must be listed on the dealer license application. If personnel changes occur that affect the listing, the DMV must be notified immediately by fax or in writing. Dealer employee revisions must include the following:

- dealer's name and dealer number;
- name of employee to be added or deleted along with the employee's address;
- employee's driver's license number; and
- signature of the shareholder of the dealership.

Prospective vehicle buyers may also drive motor vehicles with dealer plates while test-driving. If you choose to allow your customers to drive a vehicle, you must provide them with a completed DMV Form MV-38: Motor Vehicle Demonstration Certificate, or DMV approved equivalent. Prospective buyers are limited to driving vehicles with dealer plates up to seven days.

When demonstrating or test driving heavy-duty trucks 16,000 GVW or greater, the prospective buyer may use the truck to carry merchandise or cargo for up to three days with a special heavy-duty dealer plate. You must provide the customer with a completed DMV Form MV-38: Motor Vehicle Demonstration Certificate.

## **PENALTY**

Any person who misuses a dealer license plate may be fined \$300, required to forfeit the plate and/or lose his or her dealer license.

# TEMPORARY TAG LAW

A dealer of new or used vehicles should issue to the purchaser of a vehicle at the time of its sale a temporary license plate that must contain the following:

1. A rectangular box with a white background on the bottom of the plate in dimensions of not less than six inches wide and two inches high.
2. The rectangular box must contain, in characters not less than one-quarter inch wide and one-and-one-half inches high, the expiration date of the period within which the purchaser must register the vehicle.
3. The expiration date, which must be written using a permanent black marker with at least a one-quarter inch wide tip. It must contain a numerical month, date, and year.

**NOTE: Temporary tags must be dated 45 days from the purchase date.**

The temporary license plate must be made of heavy stock paper or plastic, inscribed with contrasting indelible ink and designed to resist deterioration or fading from exposure to the elements during the period the tag is displayed. The plate must contain the dealer's name, city, and phone number, or the dealer's name and computer website address. Expiration date should be legible from a distance of 25 feet.

The "Bill of Sale," title or a copy of one of the two documents must be maintained in the vehicle at all times to verify the vehicle's date of purchase to a law enforcement officer. The "Bill of Sale," title or a copy of either document must contain:

1. a description of the vehicle;
2. the name and address of both the seller and purchaser of the vehicle; and
3. the date of sale.

**A dealer may issue a temporary license plate only to a purchaser of a vehicle and may not use a temporary license plate for any other purpose.** A dealer who issues a temporary license plate or allows a temporary plate to be issued and violates this law is guilty of a misdemeanor and, upon conviction, must be fined \$100 for each occurrence. She/he also may receive sanctions against his or her dealer license.

## TRANSFERRING TAGS

South Carolina law allows owners of vehicles to transfer license plates from one vehicle to another. If a person intends to transfer a license plate from one vehicle to another vehicle, s/he may place the license plate to be transferred on the newly acquired vehicle on the date of purchase. The "Bill of Sale" for the new vehicle and a copy of the registration that corresponds to the license plate must be maintained in the new vehicle at all times to verify its date of purchase to a law enforcement officer.

The purchaser must register the vehicle with the DMV within 45 days from its purchase date. A person who transfers a license plate or allows a license plate to be transferred and violates this law is subject to the vehicle registration and licensing provisions of the law. Effective March 1, 2006, a consumer may transfer a license plate only to a specific vehicle one time without paying additional property taxes.

# **SECTION II**

## **TITLING AND REGISTERING VEHICLES**

# SOUTH CAROLINA REQUIREMENTS

As a dealer, you may provide registration services to your customers. If you choose to provide these services, you must have a good understanding of South Carolina requirements. Errors can cause more work for you, as well as delays for your customer.

A South Carolina resident who purchases a new or used vehicle must obtain a South Carolina title and registration within 45 days of purchasing the vehicle. This time limit is the same whether customers are purchasing new license plates or transferring old ones. If you choose to process the title or registration for your customer, you must deliver the title or registration to the customer within the same 45-day period.

You may give the title and all the necessary documentation required to title the vehicle to the purchaser. **If you give your customer the title and other necessary documents, it is important that you maintain a “customer-signed receipt” specifying the customer accepts responsibility for titling and registering the vehicle. This receipt will verify you have complied with the law requiring that the title be delivered within 45 days. You must also maintain copies of all documents surrendered to the customer since customers will sometimes lose their records.** Providing these documents to the customer is considered the same as delivering the title.

For a financed sale, you must have the new owner's name and lien information recorded on the title and DMV Form 400: Application for Certificate of Title and Registration for a Motor Vehicle or Manufactured Home/Mobile Home.

Valid license plates that will not be transferred should be returned to the DMV immediately or on the same day of insurance cancellation. Customers who return their plates to the DMV will receive a receipt and may request a prorated refund if their plates are still valid for more than 12 months. If the vehicle is sold or used as a trade-in, county property taxes may also be refunded by the county treasurer's office.

Specific information is required for titling and registering new and used vehicles. As a dealer, you should be aware of the documents you need, as well as the requirements and fees for each type of transaction. If your dealership helps customers finance their newly purchased vehicles, customers may ask you to include the sales tax, title, and tag in the total financial agreement for the vehicle. Having that knowledge helps you help your customer.

# **TYPES OF TITLES & MANUFACTURER'S CERTIFICATE OR STATEMENT OF ORIGIN**

## **SOUTH CAROLINA CERTIFICATE OF TITLE**

A title is issued to an individual vehicle owner. When a vehicle is sold, the seller must provide the title and the title must be submitted to the DMV before a new title can be issued to the buyer. The back of the title must be completed and properly assigned to the buyer. If the title was issued before June 19, 1989, DMV Form 4031: Secured Bill of Sale, or a Property Tax Odometer (PTO) Form must also be submitted, indicating the sale price of the vehicle and odometer information. Certificates of Title issued after June 19, 1989 include an area on the back of the form to list odometer information. If the vehicle owner's title is lost, the owner must obtain a duplicate title from the DMV. The DMV will not accept the title if you erase or "white out" any portion of the form.

## **OUT-OF-STATE TITLE**

An out-of-state title is a legal document created by a state other than South Carolina. It lists the ownership and vehicle information. An out-of-state title is used to issue a South Carolina title to a vehicle entering South Carolina from another state. The vehicle could have been purchased by a South Carolina resident from an out-of-state dealer or individual, or it could be a vehicle owned by a new South Carolina resident. In combination with this title service, a new license plate can be issued or a plate can be transferred.

## **MANUFACTURER'S CERTIFICATE OF ORIGIN (MCO) OR MANUFACTURER'S STATEMENT OF ORIGIN (MSO)**

The Manufacturer's Certificate of Origin (MCO) or Manufacturer's Statement of Origin (MSO) is a document issued by the manufacturer recording the first transfer of the vehicle from the manufacturer to the dealer or distributor. The MCO or MSO lists the vehicle identification number, vehicle description, and the dealer or distributor receiving the vehicle.

## **TRUTH IN MILEAGE REGULATIONS**

The odometer mileage statement on South Carolina Certificates of Title issued after June 19, 1989, meets the Truth in Mileage standard. Certificates of Title issued before that date do not meet the Truth in Mileage standard. The odometer statement must be given for every vehicle.

The first assignment of a Certificate of Title must now be completed by the owner on the title document itself. A separate secured assignment will not be accepted.

Exceptions were written into the regulations for those persons signing the Certificate of Title using DMV Form 5047: Secured Power of Attorney – Odometer Disclosure. This form is only used by dealers, wholesalers, auto auctions and insurance companies when the buyer and the seller are one and the same. The Secured Power of Attorney – Odometer Disclosure can only be used if the Certificate of Title is:

- being held for a lien; and
- lost and a duplicate is needed.

In addition to stating the odometer reading at the time of sale, the odometer statement is a certification by the seller of the vehicle to the buyer that to the best of his or her knowledge the odometer reading:

- reflects the actual mileage;
- reflects the amount of mileage in excess of the vehicle's mechanical limits; or
- is not the actual mileage.

Dealers should follow the instructions listed on the back of the DMV form 5047. Odometer fraud is a violation of both state and federal law.

# STATE AND COUNTY TAXES

## SALES TAX

In South Carolina, the law requires that everyone, including individuals, pay sales or excise tax on every motor vehicle or motorcycle for which a new South Carolina Certificate of Title is issued. Sales tax is due when the vehicle is sold to a consumer. The amount of the tax is five percent (5%) of the fair market value, or total purchase price, of the vehicle. However, the amount cannot exceed \$300. For out-of-state sales, you must complete Form ST-385: Department of Revenue Affidavit, and collect sales tax up to \$300 if the state charges sales tax and has a reciprocity agreement with South Carolina. For further information regarding sales taxes, contact the South Carolina Department of Revenue at (803) 898-5800 or in writing to 301 Gervais Street, Columbia, SC 29214.

## PERSONAL PROPERTY TAX

In South Carolina, counties must receive yearly property tax payments for vehicles before registrations and decals can be issued.

## PURCHASING NEW PLATES

As a dealer in South Carolina, you have the option of giving your customers extra time to pay their property taxes for vehicles purchased by South Carolina residents by completing DMV Form 4031: Bill of Sale Form with a Property Tax Odometer (PTO) section. This form will defer the property tax on the vehicle for 120 days. The DMV does not provide Property Tax Odometer (PTO) Forms. To order Bill of Sale Forms with a Property Tax Odometer (PTO) section, contact the Carolinas Independent Automobile Dealers Association (CIADA) by calling 1-800-432-4232.

You must disburse the above copies in the following manner:

1. keep a copy for your files;
2. give one copy to the customer; and
3. send the top copy (secured sheet) and the pink copy to the DMV along with the title and registration paperwork.

Please note that this extension for the payment of property taxes does not apply to the titling and registration of vehicles. Vehicles must still be titled and registered in South Carolina within 45 days from the date of purchase.

## TRANSFERRING PLATES

Customers who transfer a license plate from one vehicle to a newly purchased vehicle are not required to pay property taxes at the time of the transfer. They will be billed by their county treasurer's office when the taxes are due again. Any person who willfully or knowingly makes a false statement for the purpose of avoiding any tax is guilty of a misdemeanor in this state and may be fined up to \$3,000 and/or imprisoned for up to one year.

# OUT-OF-STATE BUYERS

An out-of-state customer who purchases a vehicle in South Carolina has different titling and registration needs. To provide better customer service, you should be aware of the options available to you and your customers.

## TEMPORARY PLATES

Many states do not allow new vehicles to be driven on the road without proper registration or tags. In these states, the proof of purchase paperwork and a dealership paper tag is not enough. They require official registration.

In South Carolina, the law allows for this instance and offers the customer a temporary plate and registration through the DMV. As a dealer, you have the option of processing this paperwork for your customer just as you would process South Carolina title and registration paperwork, or you may purchase temporary license plates from the DMV and issue them from your office.

The temporary plate and registration is good for 30 days and may be used to transport the vehicle back to the customer's resident state. You can issue these plates only to customers who purchased their vehicles from you and who will be permanently licensing their vehicles in another state. The plate is not transferable to any other person or vehicle.

South Carolina law requires that you maintain a permanent record of all the temporary plates and registrations you issue. Each record should be kept for at least one year from the date of issue. If you choose to issue the plates and registrations from your dealership, you should request the following form from the DMV:

- DMV Form 433: 30-Day Temporary Plate Registration

If you do not wish to issue these plates from your place of business, you may inform your customers of the proper procedures and refer them to your local DMV branch office.

## PENALTY

Any person found guilty of the misuse of a temporary license plate or permit is guilty of a misdemeanor in this state and may be fined up to \$200 and/or imprisoned for up to 30 days.

## WORKING WITH OTHER STATES

If your place of business is located near the state line, you may have more out-of-state purchases than other dealerships. If this is the case, you may wish to contact the other state and find out more about their titling and registration procedures. You may be able to prepare the paperwork from that state for your customer.

## COURTESY VEHICLES

A South Carolina resident can purchase a vehicle from an out of state dealer, who will be responsible for transporting the vehicle to a S. C. dealer so that the customer can pick the vehicle up from a local dealership.

SC Code of Law §12-37-2610 allows the use of a property tax odometer (PTO) form for this situation, and states that taxes are not due on these vehicles for 120 days. When this type of transaction occurs, the dealer should write on the PTO form "courtesy delivery" so that DMV and the County will know that the owner has 120 days to pay his/her property taxes.



Courtesy deliveries DO NOT require a paid tax receipt, provided that the PTO clearly indicates "courtesy delivery." In addition, courtesy deliveries are also subject to the same requirements for use tax as other out of state sales: the owner must show that sales tax has already been paid, or that the out of state dealer has a S. C. sales tax number, OR that the vehicle is exempt from sales taxes in S. C. If the owner does not meet one of these requirements, DMV will collect any S. C. use tax due.

## **TIPS TO REMEMBER WHEN TITLING AND REGISTERING VEHICLES:**

- Use clear and legible handwriting. If rubber stamps are used, they must be properly aligned.
- Properly assign the back of the title.
- Type within the spaces provided on DMV Form 400, Application for Certificate of Title and Registration for Motor Vehicle or Manufactured Home/Mobile Home – not on the lines.
- Verify that the information on DMV Form 400, Application for Certificate of Title and Registration for Motor Vehicle or Manufactured Home/Mobile Home, and the title match.
- Verify the vehicle identification number on the vehicle against the number on the title.
- Verify the owner's name and signature.
- Before choosing an option, read the instructions on the odometer statement carefully on DMV Form 400, Application for Certificate of Title and Registration for Motor Vehicle or Manufactured Home/Mobile Home.
- Properly complete all lien information.
- Abbreviate the owner's address on the form if it is more than 30 characters long.
- Provide the correct dealer and sales tax number.

## Title and Registration Documents Required for Various Transactions

SCENARIO	TYPE OF TRANSACTION	DOCUMENTS REQUIRED
A S.C. resident purchases a brand new vehicle from a S.C. dealer.	Title with New Registration	<ul style="list-style-type: none"> <li>• DMV Form 400</li> <li>• MCO Manufacturer's Certificate of Origin or MSO Manufacturer's Statement of Origin</li> <li>• PTO Affidavit &amp; Notification of Sale of Motor Vehicle</li> </ul>
A S.C. resident purchases a used vehicle previously titled and registered in another state.	Title with New Registration	<ul style="list-style-type: none"> <li>• Form 400</li> <li>• Out-of-State Title</li> <li>• PTO Affidavit &amp; Notification of Sale of Motor Vehicle</li> </ul>
A S.C. resident purchases a used vehicle previously titled and registered in South Carolina.	Title with New Registration	<ul style="list-style-type: none"> <li>• Form 400</li> <li>• S.C. Title</li> <li>• PTO Affidavit &amp; Notification of Sale of Motor Vehicle</li> </ul>
A S.C. resident purchases a brand new vehicle from a S.C. dealer.	Title with a Transfer Plate	<ul style="list-style-type: none"> <li>• DMV Form 400</li> <li>• MCO Manufacturer's Certificate of Origin or MSO Manufacturer's Statement of Origin</li> <li>• PTO Affidavit &amp; Notification of Sale of Motor Vehicle</li> <li>• Valid License Plate</li> </ul>
A S.C. resident purchases a used vehicle previously titled and registered in another state.	Title with a Transfer Plate	<ul style="list-style-type: none"> <li>• DMV Form 400</li> <li>• Out-of-State Title</li> <li>• PTO Affidavit &amp; Notification of Sale of Motor Vehicle</li> <li>• Valid License Plate</li> </ul>
A S.C. resident purchases a used vehicle previously titled and registered in South Carolina.	Title with a Transfer Plate	<ul style="list-style-type: none"> <li>• DMV Form 400</li> <li>• S.C. Title</li> <li>• PTO Affidavit &amp; Notification of Sale of Motor Vehicle</li> <li>• Valid License Plate</li> </ul>
A S.C. resident purchases a used vehicle previously titled and registered in another state.	Title with Transfer & Replace Plate	<ul style="list-style-type: none"> <li>• DMV Form 400</li> <li>• Out-of-State Title</li> <li>• PTO Affidavit &amp; Notification of Sale of Motor Vehicle</li> <li>• Form 452 Lost/Stolen or Destroyed License plate Affidavit Form</li> </ul>
A S.C. resident purchases a used vehicle previously titled and registered in South Carolina.	Title with Transfer & Replace Plate	<ul style="list-style-type: none"> <li>• DMV Form 400</li> <li>• S.C. Title</li> <li>• PTO Affidavit &amp; Notification of Sale of Motor Vehicle</li> <li>• Form 452 Lost/Stolen or Destroyed License plate Affidavit Form</li> </ul>
A S.C. resident wants to purchase a vehicle and wants to trade in the currently owned vehicle. The customer has lost the S.C. title.	Duplicate Title	<ul style="list-style-type: none"> <li>• DMV Form 400</li> <li>• Satisfaction of Title Lien form (if applicable)</li> </ul>

# ELECTRONIC VEHICLE REGISTRATION (EVR) PROGRAM

The South Carolina Electronic Vehicle Registration (EVR) Program allows authorized business partners to apply for registrations and titles electronically. The EVR system is supplied through a Service Provider (third party) who works with the DMV to provide licensed South Carolina auto dealers with a computer-based system that provides the ability to register and title vehicles by electronic means. The DMV provides dealer/business partners with materials and authorization to process customers' vehicle registrations and make initial applications for their vehicle titles. This allows an auto dealer/business partner to register the vehicle and put it on the road with valid registration in the same day, which minimizes the need for temporary plates.

With EVR, everyone is a winner. Dealers and other partners win because they save time and money; customers win because they get one-stop shopping without the wait for registration and title application processing. DMV wins because customers can be served efficiently.

Some of the requirements to participate in the EVR program are as follows:

- the dealer must be in active licensed status with the DMV;
- The dealer must have and maintain a sales volume of 420 units per year;
- The dealer must agree to process a minimum of 90% of his or her eligible transactions through the EVR program; and
- The dealer must maintain an error ratio of no more than 2%.

For further information related to this program, you may review the SCDMV Electronic Vehicle Registration Program Standards at [www.scdmvonline.com](http://www.scdmvonline.com) or contact the service provider listed below:

Computerized Vehicle Registration (CVR) at [www.cvrreg.com](http://www.cvrreg.com) or 1-800-333-6995.

# NOTES

# **SECTION III**

## **DEALER AUDITS AND INSPECTIONS**

# DEALER LICENSING AND AUDIT UNIT

The DMV is responsible for all dealer and wholesaler licensing and inspections. The Dealer Licensing and Audit Unit has been appointed to carry out this statewide responsibility for the DMV.

DMV dealer agents that are located and assigned throughout the state conduct the majority of dealer audits and inspections. However, other authorized agents may also conduct inspections and will have proper credentials to identify themselves to you. DMV dealer agents conduct initial inspections for new dealers and wholesalers, investigate customer complaints against dealers and wholesalers, and conduct random audits of dealers and wholesalers on a routine basis or as necessary.

Should you have questions or concerns about proper procedures or legal requirements, you may contact the DMV Dealer Licensing and Audit Unit by dialing (803) 896-2611. Someone from the DMV Dealer Licensing and Audit Unit can also identify and supply you with the phone number for your local dealer agent.

## PRE-LICENSING INSPECTION

After preliminary processing of your application for a dealer or wholesaler license, a DMV dealer agent will contact you to schedule your first inspection. During this inspection, s/he will determine whether your place of business and operational procedures qualify you for the license you have applied for. When inspecting your place of business, the DMV dealer agent will complete DMV Form DLA-2, Licensed Dealer Auditors Report, discuss the findings with you, and recommend to the DMV that your license be approved or disapproved, and the reason(s) for the approval or disapproval. Regardless of the outcome, you will be provided with a copy of DMV Form DLA-2, Licensed Dealer Auditors Report detailing the result of the inspection and any deficiencies indicated. If you are disapproved and wish to continue with the application process, you may make the appropriate improvements and request that your dealership be re-inspected; you may also appeal the disapproval by requesting an administrative hearing. See Section V of this manual on how to request an administrative hearing.

After you pass your inspection, you will receive an official correspondence from the DMV indicating how to proceed with your license purchase.

## **DEALER LICENSE INSPECTION CRITERIA**

Refer to Section I, DEALERSHIP REQUIREMENTS for detailed requirements.

During the initial inspection, the DMV dealer agent will inspect your business for the following:

- ◆ proper building structure;
- ◆ proper signage; and
- ◆ proper lot

### **TIPS TO REMEMBER:**

Your place of business will not pass inspection, if the DMV dealer agent finds any of the following:

- ◆ you do not have a bona fide place of business;
- ◆ your principal business is not buying, selling or exchanging vehicles (except motorcycle dealers);
- ◆ you do not have a building or your building does not meet the necessary qualifications;
- ◆ you do not have a sign or your sign does not meet the necessary qualifications;
- ◆ you do not have an adequate lot and/or display area to display your vehicles;
- ◆ your business is not located at the address on your application.

## **WHOLESALE INSPECTIONS**

During the initial visit, the DMV dealer agent will inspect your business to ensure that you have an appropriate place to conduct business. You are not required to house your business in a separate structure or display your vehicles on an open lot, but you should have adequate space to conduct your business transactions.

### **TIPS TO REMEMBER:**

Your place of business will not pass inspection if any of the following is found:

- ◆ you do not have a bona fide place of business;
- ◆ your business is not located at the address listed on your application.

# DEALER AND WHOLESALER AUDITS

Dealer and wholesaler audits are conducted at random; you will not be notified when an audit is required of your place of business. When a DMV dealer agent arrives, you must give him or her complete cooperation. The agent understands your concerns and will do all that is possible to complete your audit in a timely and professional manner. The audit will follow a set pattern, and the DMV dealer agent should proceed in a similar manner as follows:

- The agent will show you his or her DMV credentials and inform you of the purpose of the visit.
- The agent will ask to see all titles on hand in your place of business. S/he may temporarily remove any open titles from your files to make the appropriate copies. Once copies are made, the original will be returned to the dealer. The agent may request a copy of any titles not assigned to your dealership and require them to be completed. Agents will issue a receipt for any and all items removed from your dealership.
- The agent will record dealer information such as the name of your business, owner, address, dealer type, dealer number, and the date of the audit.
- The agent will record the vehicle identification numbers of the vehicles on your lot and check your records to ensure that incoming documents related to each vehicle are maintained.
- The agent will review the records of vehicles sold since your last audit or inspection to determine whether proper incoming and outgoing records are maintained for each transaction.
- The agent will request that the dealer account for all demo plates. The agent may also verify the previous year's sales volume to justify the number of dealer plates obtained by the dealer.
- The agent will record garage liability insurance information if the dealer has dealer plates.
- The agent will record any violations found in your place of business.
- The agent will answer any questions you may have.
- The agent will advise you via DMV Form DLA-2, Licensed Dealer Auditors Report of his or her findings. However, any sanctions resulting from the audit will be issued from headquarters and delivered in written form.

**NOTE: A random audit or administrative investigation conducted in your place of business does not imply that you are suspected of any misconduct or wrongdoing.**



# RECORD INSPECTIONS

Anytime a DMV dealer agent inspects or audits your place of business, a thorough review of your records will take place. It is important that you organize all of your records, ensure that they are legible, and maintain the proper supporting documents for your transactions.

South Carolina law requires that you maintain records on all transactions for four (4) years from the date of the transaction. All records must be kept at the licensed place of business and must be available during reasonable business hours. The agent will review your records for the following information:

## **Acquired Vehicles**

1. The true name of the person or persons from whom the vehicle was acquired.
2. The correct and complete address of the person or persons from whom the vehicle was acquired.
3. The correct date of the transaction.
4. A complete description of the vehicle including the vehicle identification number, make, model, and type of vehicle.
5. The correct odometer statement. A copy of the statement received by the dealer must be kept. This copy could be on the back of the Certificate of Title, a Bill of Sale, or on a separate odometer disclosure statement.

## **Transferred Vehicles**

1. The true name of the person or persons to whom the vehicle was transferred or sold.
2. The correct and complete address of the person or persons to whom the vehicle was transferred or sold.
3. The correct date of the transaction.
4. A complete description of the vehicle including the vehicle identification number, make, model, and type of vehicle.
5. The correct odometer statement. A copy of the statement received by the dealer must be kept. This copy could be on the back of the Certificate of Title, a Bill of Sale, or on a separate odometer disclosure statement.

## **All Transactions**

Titles, bills of sale, odometer statements, and other documents containing the required information for each transaction.

## **Dealer Plates**

1. The location of the dealer plates issued to the dealership.
2. Documentation of the correct use of dealer plates.
3. Verification of garage liability insurance.

## **TIPS TO REMEMBER:**

Your cooperation is necessary to complete the inspection process. Failure to cooperate with the agent or produce the required records may result in sanctions being imposed against the dealership.

# NOTES

# **SECTION IV**

## **COMPLAINTS**

# COMPLAINT INVESTIGATIONS

DMV dealer agents also have authority to conduct administrative investigations resulting from complaints against dealers and wholesalers. In most cases, the type of complaint registered with the DMV determines the depth of the investigation. Customers registering complaints must complete DMV Form AD-800C, Customer Complaint form, and submit it to the Dealer Licensing and Audit Unit along with copies of any pertinent paperwork. DMV Form AD-800C requires the name and address of the dealership, as well as that of any salesperson that may be involved. Customers are asked to provide a complete and thorough report of any incident or complaint.

If a DMV dealer agent is called to administratively investigate a complaint against your place of business, you may not receive any warning. Once the agent arrives, you will be informed of the complaint and asked to provide any information you have regarding the incident or complaint. You must cooperate with him or her fully. Your records must be at the disposal of the agent to ensure a thorough investigation.

After conducting an administrative investigation, the agent will complete DMV Form AD-800C, Customer Complaint form. The Dealer agent will review any pertinent records involved or indicated in the complaint and may make copies of your records. The agent will attempt to answer any questions you may have and you will be informed of the results of the investigation at a later date. Any criminal violations of laws will be transferred to an appropriate law enforcement agency. Non-criminal issues not under the jurisdiction of the Department of Motor Vehicles will be forwarded to South Carolina Consumer Affairs or other appropriate agency.

# **SECTION V**

## **LEGAL SECTIONS**

# KNOW YOUR LEGAL RIGHTS

If you or someone employed at your place of business becomes the subject of an official complaint with the DMV or legal action in a court of law, you should be aware of your legal rights as a dealer. Knowing your options and possible penalties is vital. In addition to the legal action someone can take against you in a court of law, a complaint can also be made against you with the DMV. In this case, the DMV will review the complaint and may begin an administrative process. Violation of criminal law will be forwarded to the appropriate law enforcement agency. Complaints might not result in a lawsuit, but can still cost you time, money, and legal fees. You should be aware that if you are found guilty or there is a department finding of wrongdoing, your dealer or wholesaler license could be denied, cancelled, suspended, or even revoked.

# DEALER SANCTIONS

The Department of Motor Vehicles (DMV) has established uniform guidelines for the application and administration of sanctions for dealers, wholesalers, and wholesale motor vehicle auctions that violate rules, regulations, policy, or law. Violations fall into two categories: compliance and performance.

A compliance violation refers to failing to maintain minimum statutory requirements (bona fide established place of business, bond, insurance, facility, sign, lot, etc.) required of a dealer, wholesaler, or wholesale motor vehicle auction license. A compliance violation will result in the cancellation (indefinite suspension) of the dealer license. If a dealer license is cancelled, it will be reinstated as soon as the DMV is satisfied that the violation or deficiency is corrected. In order to be reinstated, the licensee must comply with the requirements noted in the cancellation letter and completion of a successful audit and/or re-inspection may be required depending on the type of compliance violation.

A performance violation refers to a breach of state statute related to dealer, wholesaler, or wholesale motor vehicle auction operations. The DMV has established a point system for performance violations to evaluate the operational record of a dealer, wholesaler, or wholesale motor vehicle auction. (See the next page for specific performance violations and their assigned point value.) Serious performance violations may result in the immediate suspension or revocation of a dealer license without the assessment of any points.

The DMV will suspend, for a period of 7 days, the license of any dealer, wholesaler, or wholesale motor vehicle auction that accumulates 12 points. A second accumulation of 12 points within a three year period from the end date of the prior suspension will result in a 30 day suspension. On the third accumulation of 12 points within a three year period from the end date of the first suspension, the DMV will revoke the dealer, wholesaler, or wholesale motor vehicle auction license. Points used towards a suspension, won't be used in future accumulation of points.

In computing the total number of points for violations committed, violations will be counted at their assigned value for 12 months after being posted to the dealer's record and at one half their assigned value from 12 to 24 months from being posted to the dealers record. Points resulting from violations which occurred more than 24 months from being posted to the dealer's record will not be counted.

Conversion of existing sanction to points - When a dealer incurs the first sanction under the new policy after August 1, 2009, the highest level of warning issued within the past two years that was not followed by a suspension will be converted to points with a posting date matching the warning date:

Verbal Warning	-	Converted to 2 points
Level One Written Warning	-	Converted to 4 points
Level Two Written Warning	-	Converted to 6 points

Only the highest warning received by a dealer will be converted to points. A dealer with a verbal, level one, and level two warnings will only receive the 6 points for the level two warning and the other warnings would not be converted.

# DEALER PERFORMANCE VIOLATIONS

<b>Performance Violation Description:</b>	<b>Sanction</b>
<b>Court Dispositions:</b> (Any court finding includes criminal and civil courts)	
Conviction involving the theft or possession of a stolen vehicle	Revocation
Conviction involving the tampering with, altering, or removing VIN	Revocation
Any court finding of any law violation regarding vehicle odometers	Revocation
Any court finding of any fraud connected to sale or transfer of vehicle	6 points to Revocation
Conviction involving acquisition or transfer of a title to a vehicle	6 points to Revocation
<b>Department Finding</b> as result of investigation, audit, or other inquiry	
Offering for sale or sale of vehicles while license is suspended	Revocation
Employment of fraudulent devices, methods, or practices	6 points to Revocation
Engaging in any action which causes damage to any party	6 points to Revocation
Selling out of trust	6 points to Revocation
Refusal to allow inspection of records by DMV agent	6 points to Revocation
Wholesaler selling retail	6 points to Revocation
Dealer or auction facilitating wholesaler selling retail	6 points
Possession of an Open Title	6 points
Altering or changing documents to avoid or delay registration (includes multiple bills of sale)	6 points
Issuing a second temporary plate to a purchaser prior to vehicle being registered	6 points
Fraudulent records (includes falsification of records to justify dealer plates)	6 points
Improper use of a dealer temporary plate	4 points
Records not available upon demand of the Department	4 points
Exhibiting vehicles at address different than licensed location	4 points
Willful failure to deliver title to buyer or department within 45 days of sale	4 points
Failure to return certificate of title for junked vehicle to the Department	4 points
Misuse of dealer or wholesale motor vehicle auction plate	4 points
Unable to account for dealer or wholesale motor vehicle auction plate	4 points
Operation of a vehicle in dealer's control with no valid vehicle license	4 points
Other Records Violations (see next page)	2 points to Revocation
Other dealer violation not otherwise specified	2 points



# OTHER RECORD VIOLATIONS

Other Records Violations (ORV) include, but are not limited to, errors or omissions on transactions regarding incoming or outgoing document(s) (title/bill of sale), including acquisition or sale dates, vehicle identification number, make, model, type of body, incoming or outgoing odometer readings, or correct name and address of person vehicle acquired from and transferred to. Fraudulent records are not considered simple errors or omissions and carry the heavier penalties listed on the previous page.

An excessive Other Records Violation is considered any violation in excess of 1% of the dealer's transactions (sales) completed in the department's database (Phoenix) during the previous year or ten Other Records Violations, whichever is less. The purpose of this provision is to take into account the dealer's sales volume to South Carolina consumers when considering simple errors or omissions in records.

Other Records Violations are tracked throughout the dealer's license year and may accumulate from audits or compliant investigations. Errors or omissions detected during the quality assurance inspections for the Electronic Vehicle Registration (EVR) program fall under the EVR Sanction Policy and are not counted as Other Records Violations in the assessment of points below. Other Records Violations from a previous license year will not count towards the accumulation of Other Records Violations in the dealer's current license year.

## Department Finding as result of investigation or audit

<b>Performance Violation Description:</b>	<b>Sanction</b>
1 <sup>st</sup> excessive Other Records Violation during the dealer's license year	2 points
5 <sup>th</sup> excessive Other Records Violation during the dealer's license year	2 points
9 <sup>th</sup> excessive Other Records Violation during the dealer's license year	2 points
13 <sup>th</sup> excessive Other Records Violation during the dealer's license year	Suspension
25 <sup>th</sup> excessive Other Records Violation during the dealer's license year	Revocation

A Dealer has the following sanctions against the dealer license on August 1, 2009 at time sanction history is converted:

<b>Warning Date</b>	<b>Violation</b>	<b>Original Sanction</b>	<b>08/01/2009 Point Value</b>	<b>06/14/2010 Point Value</b>
09/18/2005	Failure to Deliver Title (Higher warning on 08/01/2009 present)	Verbal Warning	0	0
02/16/2007	Failure to Deliver Title (Higher warning on 08/01/2009 present)	Level I Warning	0	0
06/14/2009	Failure to Deliver Title (Highest warning on 08/01/2009)	Level II Warning	6	3
<b>TOTAL POINTS:</b>			<b>6</b>	<b>3</b>

The dealer then has another violation for Failure to Deliver Title within 45 days of sale posted on the dealer record September 15, 2009:

<b>Date</b>	<b>Violation</b>	<b>09/15/2009 Point Value</b>	<b>09/15/2010 Point Value</b>	<b>09/15/2011 Point Value</b>
09/18/2005	Failure to Deliver Title (Higher warning on 08/01/2009 present)	0	0	0
02/16/2007	Failure to Deliver Title (Higher warning on 08/01/2009 present)	0	0	0
06/14/2009	Failure to Deliver Title (Highest warning on 08/01/2009)	6	3	0
09/15/2009	Failure to Deliver Title	4	2	0
<b>TOTAL POINTS:</b>		<b>10</b>	<b>5</b>	<b>0</b>

# ADMINISTRATIVE HEARINGS

If your dealer or wholesaler license is denied, suspended or revoked by the DMV you have the right to contest the action by requesting an administrative hearing. The DMV will notify you in writing at your business or special mailing address of any intention to deny, suspend, or revoke your license at least 20 days prior to the date of the action. Within 10 days of receiving notice from the DMV, you may make a written request for a hearing. Your request for a hearing must be mailed to the address below along with a \$150 non-refundable filing fee.

**Office of Motor Vehicle Hearings  
S.C. Administrative Law Court  
Edgar A. Brown Building  
1205 Pendleton Street, Suite 325  
Columbia, SC 29201  
(803) 734-3201**

The Office of Motor Vehicle Hearings has a similar name to the DMV, but is a separate agency administered by the Administrative Law Court to review these and other DMV actions.

If your dealer license is being cancelled due to a compliance violation (failing to maintain minimum statutory requirements such as bona fide established place of business, bond, insurance, facility, sign, lot, etc.), the cancellation will be rescinded upon satisfactory proof of compliance regardless of whether a hearing has been requested. In these cases, you would not need to request a hearing for re-instatement unless you were in disagreement with the compliance violation.

If you contest the DMV's decision, your sanction will be stayed pending the outcome of the hearing where the Hearing Officer will make a determination of whether the denial, suspension, or revocation is lawful. The Hearing Officer will either sustain or dismiss the pending action based on the above determination and has no authority to reduce the suspension or revocation period imposed by the DMV.

You may contact the Office of Motor Vehicle Hearings at the above address or telephone number with any questions regarding their proceedings. The Office of Motor Vehicle Hearings also has their official rules and procedures available on their website at <http://www.scdmvh.net>

# SECTIONS OF LAW REGULATING S.C. DEALERS

If you wish to review the laws as they are written, you may do so by visiting [www.scdmvonline.com](http://www.scdmvonline.com) and clicking on "Links," followed by "S.C. Code of Laws" under the "State Links" heading.

1. Section 56-15-10 through 56-15-450, of the S.C. Code of Laws provides for the regulation and license of vehicle dealers and wholesalers.
2. Section 56-3-2320 of the S.C. Code of Laws provides for the issue and use of dealer and wholesaler plates.
3. Sections 56-16-10 through 56-16-210 of the S.C. Code of Laws provide for the regulation of motorcycle manufacturers, distributors, dealers and wholesalers.
4. Sections 56-15-510 through 56-15-600 of the S.C. Code of Laws provide for the regulation and license of wholesale motor vehicle auctions.
5. Section 56-3-2350 of the S.C. Code of Laws provides for the regulation and license of motor vehicle transporters.
6. Sections 56-10-10 through 56-10-20 of the S.C. Code of Laws provide for requirements for garage liability insurance.
7. Section 56-3-210 of the S.C. Code of Laws provides for regulations for the issuance of temporary tags.
8. Section 31-17-510 through 31-17-580 of the S.C. Code of Laws provides for the regulation and license of travel trailer dealers.

As a dealer, wholesaler, or wholesale motor vehicle auction, you should be aware of the laws and requirements affecting you, your manufacturer or distributor and your customers. These laws are meant to protect all parties involved in a motor vehicle transaction.

# **SECTION VI**

## **FORMS**

# COMMONLY USED DMV FORMS

Each required form serves a specific purpose for DMV and state records. If forms are not completed correctly, the paperwork for your transaction will be returned to you.

This section specifies the documents required to process title and registration transactions. (All dealer titling transaction packages must be signed in at a DMV branch office for completion. A branch office will not process more than three (3) title applications per visit per day.)

Commonly used forms that are covered in this section include the following:

- [DMV Form 400 and IS -400 \(instructions\)](#), “Application for Certificate of Title and Registration for Motor Vehicle or Manufactured Home/Mobile Home”
- [DMV Form 4031](#), “Bill of Sale”
- [DMV Form 4057](#), “Application for Name and/or Address Change, Date of Birth and/or Social Security Correction, or Special Mailing”
- [DMV Form 452](#), “Application to Replace License Plate or Expiration Year Decal”
- Sample of Buyers Guide
- Copy of Manufacturer’s Certificate of Origin (MCO) or Manufacturer’s Statement of Origin (MSO)
- Copy of South Carolina Certificate of Title for a vehicle
- Copy of Property Tax Offset Form (Affidavit & Notification of Sale of Motor Vehicle)
- Copy of 30-Day Temporary Plate Registration
- Copy of 30 Day Plate
- Copy of Application for Temporary Permit and Plates

Hyperlinks to Other Dealer Forms:

- [AD-800C](#) Customer Complaint Form
- [AD-808A](#) Affidavit of Eligibility
- [DE-004A](#) Wholesale Dealer Agreement
- [DLA-1](#) Application for Dealer or Wholesaler Licenses
- [DLA-1A IS](#) Requirements for Obtaining a Motor Vehicle Dealer or Wholesaler License
- [DLA-1B and DLA-1B \(IS\)](#) Motor Vehicle Dealer and Wholesaler Surety Bond
- [DLA-1C](#) Certification of Vehicles Sold by Dealer
- [DLA-3](#) Application for License as Motor Vehicle Transporter
- [MV-38](#) Motor Vehicle Demonstration Certificate
- [417-C](#) Application for a Temporary Motor Home or Travel Trailer Dealer License

## **Form 400 – Application for Certificate of Title and Registration**

DMV Form 400 is an application that must be completed by the registrant to process name transfer from one owner to another.

**Steps for completing Form 400.** Make sure you use a paperclip to attach all documents to the back of the application. Do NOT staple. Identify the transaction by checking the appropriate box in the top section of the form.

### **Section 1 – Vehicle Information**

- Vehicle Identification Number – Enter the complete VIN or serial number of the vehicle, which must match the titling documents.
- Make – Always use the manufacturer’s name (example: Ford, Chevrolet, etc.)
- Year Make – Enter the year the vehicle was manufactured, which appears on the titling documents.
- Body Style – Enter the body style of the vehicle being registered. (Example: 2dr, 4dr, wgn, etc.)
- Model – List the model name (example: Escort, Impala, etc.).
- Empty Weight – Enter the vehicle’s weight when applicable.
- GVW – Enter the total weight of vehicle and payload or the combined weight of tractor-trailer and payload when applicable. (**NOTE:** This information is required for trucks.)

### **Section 2 – Odometer Mileage**

Enter the odometer mileage of the vehicle being registered. If DMV Form 400 is used to apply for a duplicate title; the CSR will assist you with the mileage. Do not enter tenths of miles.

### **Section 3 – Owner Information (For a leased vehicle, complete Section 4 section.)**

Owner’s Complete Legal Name – Enter the name of the applicant to whom the vehicle is to be titled. The name should match the name found on the driver’s license.

- Customer Number, Driver’s License Number, Social Security Number or Federal Employer Identification Number (FEIN)
- Date of Birth

Co-Owner’s Complete Legal Name – Enter the name of the applicant to whom the vehicle is to be titled. The name should match the name found on the driver’s license.

- Joint Shared – If shared ownership, specify relationship by checking “and” or “or.” (**NOTE:** “And” means both signatures are required when conducting transactions. “Or” means only one signature is required when conducting transactions.)
- Customer Number, Driver’s License Number, Social Security Number or FEIN
- Date of Birth

Residence Street Address – Enter the complete address of the owner as a street, route or rural box number. A post office box number is not acceptable in this field and can be entered only in the mailing address field. This must be a South Carolina address.

Mailing Address – Where mail is received. A post office box number can be used here.

Address Where Vehicle is Housed – This is the address that will be used for property taxes. (Example: Customer lives in Lexington County, but vehicle is housed in Pickens County where child attends school. Pickens County would be the housed address.)

Daytime Telephone Number – This information is optional.

Temporary Address – This is an address that will be used only for a limited time. Expiration Date is required if a Temporary Address is entered.

#### **Section 4 – Leasing Information**

Leasing Company Name - Owner of the vehicle (Example: GMC Leasing)

- Phone Number – This information is optional.
- Contact Person – This information is optional.
- Customer Number

Address – Enter the complete address of the owner. (**NOTE:** It can be an out-of-state of address.)

Name of Lessee – Person leasing the vehicle

- Driver's License Number, Social Security Number or FEIN of person leasing the vehicle
- Date of Birth of person leasing vehicle

Residence Street Address – The complete address of the person leasing the vehicle as a street, route, or rural box number. A post office box number is not acceptable in this field and can be entered only in the mailing address field. This must be a South Carolina address.

Mailing Address – Where mail is received. A post office box number can be used here.

Address Where Vehicle is Housed – This is the address that will be used for property taxes. (Example: Customer lives in Lexington County, but vehicle is housed in Pickens County where child attends school.)

#### **Section 5 – Lien Information**

The lien information on DMV Form 400 must agree with the titling documents. Customer Number or FEIN of lien holder

- Lien Holder Name (First Lien) – This information is required.
- Date of Lien – This information is required.
- Contact Person – This information is optional.
- Telephone Number – This information is optional.

Mailing Address - Where mail is received. A post office box number can be used here. Customer Number or FEIN

- Lien Holder Name (Second Lien) – This information is required.
- Date of Lien – This information is required.
- Contact Person – This information is optional.
- Telephone Number – This information is optional.

Mailing Address – Where mail is received. A post office box number can be used here.

**Section 6 – Satisfaction of Lien** will be completed by the lien holder only if the lien has been satisfied and DMV Form 400 is for a duplicate title.

Satisfaction of First Lien

- Date of lien satisfaction – This information is required.
- Name of Lien Holder – This information is required.
- Certified By signature of authorized agent – This information is required.
- Title of authorized agent – This information is required.

Satisfaction of Second Lien

- Date of lien satisfaction – This information is required.
- Name of Lien Holder – This information is required.
- Certified By signature of authorized agent – This information is required.
- Title of authorized agent – This information is required.

#### **Section 7 – Sales Tax Exemption**

Check the appropriate box that applies for casual sales tax exemption.



## **Section 8 – Additional Information**

### Date of Purchase

- Date first operated in South Carolina
- Energy Efficient Manufactured/Mobile Home

### New or Used

- Prior Title Number – Enter the title number of the title being surrendered; if vehicle is new, write MCO in this field.
- Prior Title State – Enter the name of the state where the vehicle was previously registered and titled.

The Vehicle Described on this Application Is – For Salvage Use Only

The Vehicle Sustained the Following Damage – For Salvage Use Only

Agency Reference Number – If Applicable

Salvage Percentage – For Salvage Use Only

Calculate the Salvage Percentage – For Salvage Use Only

## **Section 9 – Seller Information**

Enter the seller's name (dealer information when applicable).

- South Carolina Dealer/Wholesaler Number
- South Carolina Sales Tax Number
- Sales Price of the vehicle
- Address – Enter the complete address of the seller.

## **Section 10 – Insurance Certification**

Enter the name of the liability insurance company if applicant is titling and registering the vehicle. **(NOTE: It is imperative that the correct insurance information be listed. Incorrect information may result in the suspension of the owner's driver license and license plate.)**

## **Section 11 – Gift of Life Trust Fund**

Indicates whether a Gift of Life donation was given and the contribution amount.

## **Section 12 – Signature of Owner**

Ensure that the owner(s) has/have signed and dated DMV Form 400. This information is required.

**THIS SECTION FOR DMV/DEALER USE ONLY** – This section is to be completed in its entirety by a DMV employee.

### **Form 4031 – Bill of Sale**

A South Carolina Bill of Sale is required if the current Certificate of Title was issued before June 1989. The form documents the sale price of the vehicle, odometer information, and the seller and buyer information. Dealers also use DMV Form 4031 or a Property Tax Odometer (PTO) Form to document the transfer of a vehicle from one dealership to another dealership. The form may be used for that purpose until the vehicle is transferred to an individual who is not a dealer. This form will not be accepted by the DMV if you erase or "white out" any portion of the form.

### **Form 4057 – Application for Name and/or Address Change, Date of Birth Correction, or Special Mailing**

The Application for Name and/or Address Change, Date of Birth Correction, or Special Mailing will be used by the dealer to make an address correction **only**. The customer must complete this application. Any other change will have to be done in person at a local SCDMV branch office. **(NOTE:** The address on DMV Form 400 must match the address on file with the DMV. If the address does not match DMV files, DMV Form 4057 must be completed and signed by the customer or the titling application will be denied or returned by the DMV branch office for necessary corrections. The address on file with DMV should be the same as the address on the customer's driver's license.)

It is the responsibility of the clerk to verify that each section is completed when the application returns.

## **Form 452 – Lost/Stolen or Destroyed License Plate Report Replacement Application**

The Lost/Stolen or Destroyed License Plate Report Replacement Application is used to report that a plate was lost, stolen, or destroyed. This application must be completed before a replacement plate is issued to a customer.

### **Steps for Completing DMV Form 452**

1. License Plate Number – That you are reporting missing (if applicable)
  - State – Enter SC
  - Year of Expiration
2. Name and Address of Registered Owner (that appears on Certificate of Title)
  - Name of registered owner
  - Street Address (residence address)
  - City in which owner resides
  - State where vehicle is registered
  - Home Telephone Number of registered owner
  - Work Telephone Number of registered owner
3. I certify that the plate listed above was – You must indicate whether it was lost, stolen or destroyed.
  - Date of Loss – Date first noticed missing (lost, stolen, or destroyed)
  - City in which the plate/decal was lost, stolen, or destroyed
  - State in which the plate/decal was lost, stolen, or destroyed
  - Circle the one that applies – “I do” or I “do not” wish to replace at this time
  - Owner’s Signature – Registered owner’s signature if he or she is the person making the report
  - Signature of Person Making Report – Signature of person making the report if not the registered owner
  - Print Name and Address of Person Making Report – The person making the report if different from the registered owner

### **Insurance Certification**

- Name of Insurance Company – You must list the name of insurance company if replacing plate/decal. Insurance information must be accurate. Do not guess.
- Signature of Owner – Registered owner must sign the insurance section.

### **FOR DMV USE ONLY**

This section is to be completed by a DMV employee only.

# BUYERS GUIDE

**IMPORTANT:** Spoken promises are difficult to enforce. Ask the dealer to put all promises in writing. Keep this form.

VEHICLE MAKE \_\_\_\_\_ MODEL \_\_\_\_\_ YEAR \_\_\_\_\_ VIN NUMBER \_\_\_\_\_

DEALER STOCK NUMBER (Optional) \_\_\_\_\_

WARRANTIES FOR THIS VEHICLE:

## AS IS - NO WARRANTY

YOU WILL PAY ALL COSTS FOR ANY REPAIRS. The dealer assumes no responsibility for any repairs regardless of any oral statements about the vehicle.

## WARRANTY

FULL  LIMITED WARRANTY. The dealer will pay \_\_\_\_\_ % of the labor and \_\_\_\_\_ % of the parts for the covered systems that fail during the warranty period. Ask the dealer for a copy of the warranty document for a full explanation of warranty coverage, exclusions, and the dealer's repair obligations. Under state law, "implied warranties" may give you even more rights.

SYSTEMS COVERED:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DURATION:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

SERVICE CONTRACT. A service contract is available at an extra charge on this vehicle. Ask for details as to coverage, deductible, price, and exclusions. If you buy a service contract within 90 days of the time of sale, state law "implied warranties" may give you additional rights.

PRE PURCHASE INSPECTION: ASK THE DEALER IF YOU MAY HAVE THIS VEHICLE INSPECTED BY YOUR MECHANIC EITHER ON OR OFF THE LOT.

SEE THE BACK OF THIS FORM for important additional information, including a list of some major defects that may occur in used motor vehicles.

Re-order from: Elaine Nixon - P.O. Box 547, Laurens, SC 29360 - (864) 984-5523

CERTIFICATE OF ORIGIN FOR A VEHICLE



DATE  
JANUARY 25, 2007

INVOICE NO. [REDACTED] 2

VEHICLE IDENTIFICATION NO. [REDACTED]

YEAR  
2007

MAKE  
FORD

BODY TYPE  
114 EXPLORER XLT 4X4 4DR

SHIPPING WEIGHT  
4582 LBS.

H.P. (S.A.E.) 37.40  
G.V.W.R. 6190 LBS  
NOMINAL TONNAGE

NO. CYLS. 6  
1/2

SERIES OR MODEL  
U73K

I, the undersigned authorized representative of the company, firm or corporation named below, hereby certify that the new vehicle described above is the property of the said company, firm or corporation and is transferred on the above date and under the Invoice Number indicated to the following distributor or dealer.

NAME OF DISTRIBUTOR, DEALER, ETC.

P.O. NUMBER 18990877

[REDACTED]

71K327

It is further certified that this was the first transfer of such new motor vehicle in ordinary trade and commerce.

MEMO DATA (NOT A LIEN)

FINANCE SOURCE 000001

Ford Motor Credit Co  
P.O. Box 1732, Room  
Dearborn MI  
48121

BY

[REDACTED SIGNATURE]  
(SIGNATURE OF AUTHORIZED REPRESENTATIVE)

(AGENT)

CITY - STATE





**Property Tax Odometer (PTO) Form – Affidavit & Notification of Sale of Motor Vehicle** - A PTO is a form used by the dealership to waive the property taxes for 120 days when a customer purchases a vehicle. This form is similar to a Bill of Sale. **(NOTE: The pink copy of the PTO will be delivered to the local SCDMV branch office by the dealership. The branch office will distribute to the appropriate county.)**

AFFIDAVIT & NOTIFICATION OF  
SALE OF MOTOR VEHICLE  
(Entire Form Must Be Typed or Printed)

1779175

Personally appeared before me \_\_\_\_\_  
(Seller) (Dealer Retail Tax #)

\_\_\_\_\_  
(Address)

who being duly sworn, deposes and says that on the \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_,

he sold the following motor vehicle: Make \_\_\_\_\_ Model \_\_\_\_\_

Year \_\_\_\_\_ Identification (Serial) No. \_\_\_\_\_

License No. \_\_\_\_\_ to \_\_\_\_\_  
(Buyer)

\_\_\_\_\_  
(Street) (City) (County) (State) (Zip)

Special Mailing Address

Deponent further states that there are no liens or encumbrances on the said vehicle except as listed below:

Lienholder \_\_\_\_\_ Amount \_\_\_\_\_

Address \_\_\_\_\_ Date \_\_\_\_\_

I certify that the odometer now reads \_\_\_\_\_ (no tenths) miles and to the best of my knowledge that it reflects the actual mileage of the vehicle described below, unless one of the following statements is checked.

(1) I hereby certify that to the best of my knowledge, the odometer reading reflects the amount of mileage in excess of its mechanical limits.

(2) I hereby certify that the odometer reading is NOT the actual mileage. WARNING-ODOMETER DISCREPANCY

Federal law (and State law, if applicable) requires that you state the mileage upon transfer of ownership. Failure to complete or providing a false statement may result in fines and/or imprisonment.

\_\_\_\_\_  
(Signature of Seller)

\_\_\_\_\_  
(Print Seller's Name)

\_\_\_\_\_  
(Signature of Buyer)

\_\_\_\_\_  
(Print Buyer's Name)

Property Tax Section Check One:  <input type="checkbox"/> Purchase License Plate D.L. Number _____ License Plate Issued _____ <input type="checkbox"/> Transfer License Plate  _____ Signature of Buyer/if purchasing plates
---

WHITE COPY - TO HIGHWAY DEPARTMENT WITH TITLE AND LICENSING APPLICATION. YELLOW COPY - FOR DEALER'S FILE. PINK COPY - TO HIGHWAY DEPARTMENT IF NEW TAGS ARE TO BE OBTAINED. GOLDENROD COPY - TO BUYER.



**South Carolina Department of Motor Vehicles**  
**30-DAY TEMPORARY PLATE REGISTRATION**

433  
Rev. 02/07

**Pursuant to Section 56-3-2600 and 56-3-2900 of the 1976 Code of Laws of South Carolina as amended.**

Plate No. Issued <b>TP-</b>	<b>FEE PAID \$20.00</b>	Date Plate Expires
--------------------------------	-------------------------	--------------------

Purchaser's Name \_\_\_\_\_ Date of Issue \_\_\_\_\_

Street \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Year	Make	Vehicle Identification Number
------	------	-------------------------------

Dealer from whom vehicle and plate were purchased.

Street \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

\_\_\_\_\_ Print Name of Dealer \_\_\_\_\_ Signature of Dealer \_\_\_\_\_

**See conditions below.**

The South Carolina Department of Motor Vehicles, upon request shall provide temporary license plates and registrations designed by the department to nonresidents of South Carolina, licensed motor vehicle dealers and to manufacturers in South Carolina who produce trailers or semi-trailers that apply for such plates and cards.

Temporary license plate shall be on the vehicle for which issued and shall not be transferred, loaned, or assigned to any other person or vehicle.

Temporary license plate and registration shall be valid for thirty days from the date of issuance.

Permit good only for empty weight if issued on truck or property carrying vehicle.

Liability insurance coverage must be in force for at least the minimum amounts required by South Carolina law.

The registration should be carried in the vehicle described while in operation.

Date of issue, make, identification number and expiration date on actual temporary plate, must be written in permanent black ink or black ink covered with transparent tape.

**Motor Vehicle Dealers Only-** Dealers, subject to the limitations and conditions hereafter set forth, may issue such temporary license plates to owners of vehicles which are to be permanently licensed in a state other than South Carolina.

**Manufacturers of Trailers or Semi-Trailers in South Carolina only-**A manufacturer may issue a temporary plate to a trailer or semi-trailer that is being moved from the manufacturer to the dealer's or purchaser's place of business.

Department of Motor Vehicles copy of registration must be mailed to the South Carolina Department of Motor Vehicles, P.O. Box 1498, Blythewood, South Carolina 29016-0036 on the same day issued.

**WHITE COPY - APPLICANT**



• 30 DAY PLATE •  
SOUTH CAROLINA  
**TP-000000**

ISSUED	MAKE	IDENTIFICATION	EXPIRES
_____	_____	_____	_____

Form 433-A (Rev. 7/99)



**South Carolina Department of Motor Vehicles**  
**APPLICATION FOR TEMPORARY PERMIT AND PLATES**

FORM #433-B  
 (Rev. 02/07)

Date \_\_\_\_\_ 20 \_\_\_\_\_

\_\_\_\_\_ Temporary Permits and Plates (10 Permits to a book)  
 ( Number of Books)

Name of Dealer/Applicant \_\_\_\_\_ County \_\_\_\_\_

Street \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP Code \_\_\_\_\_

Dealer Number \_\_\_\_\_ Sales Tax Number \_\_\_\_\_

Enclosed you will find ( ) or ( ) Made payable to the South Carolina  
 Cash Money Order or Check

Department of Motor Vehicles.

\_\_\_\_\_  
 Signature of Dealer or Agent

Fee for each set of Permits and Plates is \$20.00.

**THIS SPACE FOR DEPARTMENT USE ONLY**

Number of Permits/Books Issued \_\_\_\_\_

Beginning Number \_\_\_\_\_ Ending Number \_\_\_\_\_ Total \_\_\_\_\_

Number of Temporary Plates \_\_\_\_\_

Beginning Number \_\_\_\_\_ Ending Number \_\_\_\_\_ Total \_\_\_\_\_

Total Permits Issued \_\_\_\_\_ Date of Issue \_\_\_\_\_

Issued By \_\_\_\_\_ Office Number and Code \_\_\_\_\_

Amount of Fees Collected \_\_\_\_\_

This will certify I have personally received all permits and plates listed in good condition.

Received By \_\_\_\_\_

WHITE-APPLICANT

YELLOW-DMV FILE

PINK-ACCOUNTING

GOLD-BRANCH OFFICE

# **SECTION VII**

## **GLOSSARY OF TERMS**

# GLOSSARY OF TERMS

**Dealer or Motor Vehicle Dealer** refers to any person who sells or attempts to affect the sale of any motor vehicle in a calendar year.

**Dealer License** refers to a license issued to individuals authorizing them to sell motor vehicles.

**Distributor** refers to any person who sells or distributes new motor vehicles to motor vehicle dealers or who maintains distributor representatives within the state.

**Distributor Branch** refers to a branch office maintained by a distributor who sells or distributes new motor vehicles to motor vehicle dealers.

**Distributor Representative** refers to a representative employed by a distributor branch or distributor.

**Fair Market Value** refers to the total purchase price of a vehicle less the trade-in value.

**Franchise** refers to an oral or written arrangement for a definite or indefinite period in which a manufacturer, distributor, or wholesaler grants to a motor vehicle dealer a license to use a trade name, service mark, or related characteristic, and in which there is a community of interest in the marketing of motor vehicles or services related thereto at wholesale, retail, leasing or otherwise.

**Franchisee** refers to a motor vehicle dealer to whom a franchise is offered or granted.

**Franchiser** refers to a manufacturer, distributor, or wholesaler who grants a franchise to a motor vehicle dealer.

**Fraud** refers to a misrepresentation in any manner whether intentionally false or due to gross negligence of a material fact; a promise or representation not made honestly and in good faith; and intentional failure to disclose a material fact.

**Gross Weight** refers to the weight of a vehicle plus the weight of any load thereon.

**Manufacturer** refers to any person engaged in the business of manufacturing or assembling new and unused motor vehicles.

**Manufacturer Program** is a program where franchise dealerships, licensed in South Carolina, provide consumers whose vehicle is being serviced or repaired by the dealership a loaner vehicle with a dealer demonstration plate. The vehicle displaying the license plate must meet two conditions: 1) the dealer is part of a manufacturer program and 2) the loaner vehicle along with the plate is given to the consumer, by the dealer, at no charge for no more than thirty days.

**Moped** refers to every cycle with pedals to permit propulsion by human power and with a motor of not more than 50 cubic centimeters which produces not more than two brake horsepower and which is not capable of propelling the vehicle at a speed in excess of 30 miles per hour on level ground. If an internal combustion engine is used, the moped shall have a power drive system that functions directly or automatically without clutching or shifting by the operator after the drive system is engaged.

**Motorcycle** refers to a motorized cycle having no more than two permanent functional wheels in contact with the ground or with a detachable side car or trailer and having a saddle for the use of the rider.

**Motor Home** refers to a vehicular unit designed to provide temporary living quarters built into an integral part of or permanently attached to a self-propelled motor vehicle chassis or van which contains permanently installed independent life support systems other than low voltage meeting the American National Standards Institute (ANSI) A119.2 Standard for Recreational Vehicles and provides at least four of the following facilities: cooking with on-board power source separate from the vehicle engine; a portable water supply system including a faucet, sink, and water tank with an exterior service connection; separate 110-125-volt electric power supply.

**Motor Vehicle** refers to any motor-driven vehicle required to be registered and every vehicle which is self-propelled, except mopeds, and every vehicle which is propelled by electric power obtained from overhead trolley wires, but not operated upon rails.

**New Motor Vehicle** refers to a motor vehicle which has not been previously sold to any person except a distributor or wholesaler or motor vehicle dealer for resale.

**Non-Resident** refers to any person who is not a resident of this state.

**Odometer** refers to an instrument for measuring and recording the actual distance a vehicle travels while in operation; not any instrument designed to be reset by the operator.

**Odometer Disclosure Statement** refers to a statement certified by the owner of the motor vehicle to the transferee or the DMV indicating the odometer reading of the vehicle.

**Odometer Reading** refers to the actual cumulative distance traveled that is shown on the odometer.

**Owner** refers to a person who holds the legal title of a vehicle.

**Permanently Installed** refers to built into or attached as an integral part of a chassis or van and designed not to be removed except for repair or replacement. A system which is readily removable or held in place by clamps or tie downs is not permanently installed.

**Person** refers to a natural person, corporation, partnership, trust or other entity, and in the case of an entity, it shall include any other entity in which it has a majority interest or effectively controls as well as the individual officers, directors, and other persons in active control or the activities of any such entity.

**Sale** refers to the issuance, transfer, agreement for transfer, exchange, pledge, hypothecation or mortgage in any form whether by transfer in trust or otherwise of any motor vehicle or interest therein or of any franchise related thereto; any option, subscription or other contract, or solicitation, looking to a sale, or offer or attempt to sell in any form whether spoken or written. A gift or delivery of any motor vehicle or franchise with respect thereto with, or as a bonus on account of the sale of anything shall be deemed a sale of such motor vehicle or franchise.

**Semitrailer** refers to every vehicle with or without motive power, other than a pole trailer, designed for carrying persons or property and for being drawn by a motor vehicle and so constructed that some part of its weight and that of its load rests upon or is carried by another vehicle.

**Three-Wheel Vehicle (Trike)** refers to every motor vehicle having no more than three permanent functional wheels in contact with the ground and having a seat or saddle for the use of the operator, but excluding a tractor.

**Total Purchase Price** refers to the price of a motor vehicle, motorcycle, boat, motor or airplane that was agreed upon by the buyer and the seller. This price allows for a trade-in value.

**Trailer** refers to every vehicle with or without motive power, other than a pole trailer, designed for carrying persons or property and for being drawn by a motor vehicle and so constructed that no part of its weight rests upon the towing vehicle.

**Travel Trailer** refers "Travel trailer" means every vehicle (except motor homes) designed without motor power towed by a motor vehicle and not measuring more than 8 feet wide or 35 feet. long in travel mode, designed to provide temporary living quarters for recreational, camping, and travel use and designed not to require permanent on-site utilities.

**Truck** refers to every motor vehicle designed, used, or maintained primarily for the transportation of property.

**Truck Tractor** refers to every motor vehicle designed and used primarily for drawing other vehicles and not so constructed as to carry a load other than a part of the weight of the vehicle and load so drawn.

**Used Motor Vehicle** refers to a vehicle that was previously titled to another owner one or more times.

**Vehicle** refers to every device in, upon or by which any person or property is or may be transported or drawn upon a highway, except devices moved by human power or used exclusively upon stationary rails or tracks.

**Wholesaler or Motor Vehicle Wholesaler** refers to any person who sells or attempts to sell used vehicles exclusively to motor vehicle dealers or other wholesalers.

**Wholesale License** refers to a license issued to individuals authorizing them to sell motor vehicles to dealers or other wholesalers.