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Driver and Vehicle Services Update

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LOW SPEED VEHICLE TITLE AND REGISTRATION APPLICATION PROCEDURES

Low Speed Vehicles can be identified by examining the Manufacturer's Certificate of Origin (MCO) or the out-of-state certificate of title. The MCO will list an indicator of LSV/NEV/ZEV in the series or model field or designate that the vehicle complies with Federal Motor Vehicle Safety Standard (FMVSS) 571.500. Out-of-state certificate of titles usually list "Low Speed Vehicle" as a brand or will list "LV" or "LSV" in the body field.

Low Speed Vehicles do not meet Pennsylvania equipment standards. This type of vehicle is not equipped as required by the Vehicle Code and the regulations of PennDOT to be operated on Pennsylvania roadways. Therefore, when processing title applications, where the proof of ownership document indicates LSV/NEV/ZEV or Low Speed

Vehicle, the record should be designated as an "Off-Road Vehicle" (ORV). No registration plates are to be issued to Low Speed Vehicles.

TITLING AND REGISTERING VEHICLES IN THE NAME OF A CONSTABLE

PennDOT occasionally receives applications to title and register a vehicle in the name of a constable's office (e.g. Constable John Doe or Pennsylvania State Constable) or in combination with the name of the municipality where the constable's office is located (e.g. Naples Township Constable's Office). Applications for title and or registration that include the word "Constable" as part of the owner/applicant name will be rejected. The applicants will be notified to use their actual or bona fide name.

Authorized PennDOT agents must use the individual's name when completing the application for Pennsylvania certificate of title and/or registration. The applicant must pay all sales tax and required fees when applying for title and registration. The applicant is not permitted to claim an exemption from payment of sales tax or any titling or registration fees based upon their position as a constable.

Additionally, Municipal Government (MG) registration plates should not be issued by PennDOT or any authorized PennDOT agents for a vehicle owned by a constable. MG plates are only issued to vehicles owned by a municipality itself.

In all cases, the actual or bona fide name of the individual must be used when issuing a Pennsylvania certificate of title or vehicle registration. The vehicle shall NOT be titled or registered in the name of the constable's office. Additionally, MG registration plates should never be issued for the vehicle.

**NATIONAL MOTOR VEHICLE TITLING
INFORMATION SYSTEM (NMVTIS) PROCESS
WHEN TITLING A VEHICLE USING THE
ON-LINE REGISTRATION PROGRAM**

As a result of the Anti-Car Theft Act of 1992, all states are required to verify title information prior to registering vehicles in their own state. The National Motor Vehicle Title Information System (NMVTIS) is the tool used to conduct this verification.

When the out-of-state abbreviation presented by NMVTIS does not match that of the SOT (State of Title) listed on the proof of ownership presented by the customer, the application must be submitted to PennDOT for processing.

**DEALERSHIP TITLE WITH REGISTRATION
APPLICATION PROCEDURE**

If a dealer wants to register a new car loaner with a regular series registration plate, they may elect to pay an alternate imposition of tax directly to the Department of Revenue. Dealers should enter "21" in the sales tax exemption reason code block on Form MV-1, "Application for Certificate of Title" or Form MV-4ST, "Vehicle Sales and Use Tax Return/Application for Registration" when they elect the alternate imposition of tax. This will allow the dealer to be issued a regular series registration on a vehicle titled in the dealership's name.

When titling a vehicle in the dealership's name for the purpose of resale, the dealer may be exempt from paying sales tax if exemption reason code "01" is entered in block 1A on Forms MV-1 and MV-4ST and the appropriate dealer identification number (DIN) is entered in the space provided in Section B on Form MV-1 or in the title assignment section on the reverse side of the Pennsylvania certificate of title.

Dealers are not permitted to claim a resale exemption and register a vehicle with a regular series plate. If a dealership is submitting an application for title claiming an "01" exemption or an "0" exemption, and requesting registration plates to be transferred or issued to the vehicle, the application must be rejected for sales tax based on the vehicle's fair market value and appropriate registration fees. A dealer may not use a regular series registration plate on a vehicle titled in the dealership's name when tax was not paid on the vehicle. Should the dealer wish to apply their dealer plates to the vehicle and use on a long-term basis, they will pay a use tax directly to the Department of Revenue on a monthly basis.

When the application is processed, the dealer will receive a "Title Only," and the title and vehicle record will reflect "Sales Tax Unpaid." The dealership may use its dealer registration plates when operating a vehicle titled in this manner.

At no time should an operator use an exemption "21" to process a title application for a dealership when they are requesting registration plates and using sales tax exemption codes "01" or "0".

**IMPORTED VEHICLES WITH A VEHICLE
IDENTIFICATION NUMBER THAT BEGINS
WITH THE LETTER "L" (LVIN)**

This is a follow-up to the previous notifications sent regarding title applications for any two or three-wheeled motorcycle, motor-driven cycle, motor scooter or motorized pedal cycle (Moped) with a vehicle identification number (VIN) that begins with the letter "L". Unless exempted, these title applications are to be forwarded to the Special Services Unit of PennDOT for examination to determine if a title may be issued. Please inform affected customers a delay in processing may occur due to this examination process.

Affected applications should be forwarded to one of the following addresses:

Via Mail:
Vehicle Inspection Division
Special Services Unit
ATTN: Special Examination
P.O. Box 69007
Harrisburg, PA 17106-9007

Via Messenger or Courier:
Vehicle Inspection Division
Special Services Unit
ATTN: Special Examination
1101 South Front Street, 3rd Floor
Harrisburg, PA 17104

This examination process became necessary due to discrepancies discovered between the Manufacturers Certificate of Origin (MCO) and the approved data base of manufactures maintained by the National Highway Traffic Safety Administration (NHTSA). NHTSA identifies authorized vehicle manufacturers and lists VIN decoding information submitted by those manufacturers importing vehicles into the United States for sale. PennDOT discovered that many manufacturers listed on the MCO are not recognized by NHTSA and VIN decoding information was either incorrect or non-existent. This raised an important consumer protection issue since it would be very difficult to track the real manufacturer if a safety recall

IMPORTED VEHICLES WITH A VEHICLE IDENTIFICATION NUMBER THAT BEGINS WITH THE LETTER "L" (LVIN) (CONTINUED)

is necessary or a liability issue arises for the customer.

Because this could have negative financial impact on customers, PennDOT made the decision to verify the documentation before these vehicles are permitted on the road.

While the policy regarding the special examination of these title applications remains in place, listed below are vehicles that are not subject to the special examination. As previously notified, title applications for the vehicles listed below may be processed online and temporary registration issued if requested:

- ❖ Chungeng Holding Group Co LTD vehicles identified with a VIN beginning with LCETDNP
- ❖ Zhejiang Lingyun Motorcycle Co LTD vehicles identified with a VIN beginning with L1E
- ❖ Changzhou Kwangyang Motor Co LTD (Kymco) vehicles identified with a VIN beginning with LC2
- ❖ Yamaha vehicles identified with a VIN beginning with LPR and are designated as model XF50, XC50, YW50, YW125 and YJ125
- ❖ Shanghai Jmstar Motorcycle Co Ltd vehicles identified with a VIN beginning with LJ4

In addition, the following manufacturers have been added and applications may be processed online and temporary registration issued:

- ❖ Taizhou Zhongneng Motorcycle Co Ltd vehicles identified with a VIN beginning with L5Y
- ❖ Huzhou Daixi Zhenhua Tech Trade Co Ltd vehicles identified with a VIN beginning with L37

Further, it has been determined that once PennDOT issues a Pennsylvania title for these vehicles, they do not need to be re-submitted to the Special Services Unit for examination if the vehicle is subsequently sold. Therefore, vehicle owners who sell a two or three-wheeled vehicle, titled in Pennsylvania, with a VIN beginning with the letter "L" may have the title transfer processed by an agent of PennDOT and if requested, a temporary registration issued. Likewise, dealers who offer two- or three-wheeled vehicle with a VIN beginning with the letter "L" may opt to title these vehicles in the name of the dealership in order to have the special examination performed and a Pennsylvania title issued in the dealer's name prior to selling the vehicle to a customer. This will allow a buyer to have the title transfer processed by an agent of PennDOT and a temporary registration issued at the time of sale. Please note that only vehicles that have been titled in

Pennsylvania may be processed in this manner.

Title applications for two- and three-wheeled vehicles with a VIN beginning with "L" where the proof of ownership is an MCO or a title issued by another jurisdiction must be submitted to the Special Services Unit for examination and no temporary registration may be issued for these vehicles.

As MCOs for additional makes and models of vehicles are found to be in compliance with NHTSA filings, you will be notified via future bulletins.

MILEAGE RECORDED ON PROOF OF OWNERSHIP VERSUS MILEAGE RECORDED ON FORM MV-1, "APPLICATION FOR CERTIFICATE OF TITLE" REMINDER

This is to clarify the procedures for recording odometer readings on proofs of ownership, when the proof of ownership is a Manufacturer's Certificate of Origin (MCO) or an out-of-state certificate of title and Form MV-1, "Application for Certificate of Title."

The Federal Mileage Act requires that mileage be disclosed at the time ownership of a vehicle is transferred. The agent will verify the odometer reading and record the reading on the proof of ownership document.

Usually, the applicant is making application for a Pennsylvania certificate of title at the same time; therefore, the agent will record the same odometer reading on Form MV-1.

However, in instances where the application for Pennsylvania certificate of title is made after the ownership transfer, such as out-of-state purchases where an in-transit registration plate was issued, the odometer readings may be different. When an applicant requests an agent to complete Form MV-1 after the ownership document has already been transferred and additional mileage was placed on the vehicle, the agent will record the new odometer reading on Form MV-1. This will also assist the agent in determining if the applicant qualifies for an exemption from CARB certification on Form MV-9, "Compliance or Exemption for the Pennsylvania Clean Vehicle Program." The odometer reading to be entered on PennDOT's CARAT System will be the odometer reading found on the proof of ownership document and not the odometer reading found on Form MV-1.

TAX CREDIT RECIPROCITY WITH OTHER STATES REMINDER

This is a reminder that Pennsylvania may recognize tax paid to another state, provided the other state is reciprocal with Pennsylvania and grants the same credit for Pennsylvania taxes paid to that state.

Applicants claiming a sales tax credit must present evidence showing the amount of sales tax paid to the other state. However, if sales tax is paid to a non-reciprocal state, Pennsylvania may not grant a sales tax credit for the amount paid and the applicant would be required to pay sales tax on the original purchase price of the vehicle.

In addition, prior to credit being granted, agents must be certain the tax monies paid were for sales tax on the purchase of the vehicle and not another type of tax charged by the state.

For a listing of the reciprocity credit between Pennsylvania and other states, refer to Department of Revenue's Form REV-227, "Pennsylvania Sales and Use Tax Credit Chart" found on Department of Revenue's website at www.revenue.state.pa.us.

MESSENGERS SUBMISSION OF WORK REMINDER

This is a reminder that messengers are required to submit work directly to PennDOT for processing within 5 business days after the messenger's receipt of all necessary and fully executed documents. The mailing of messenger work is not permitted. Non-compliance of this requirement is a violation of your messenger contract and could result in sanctions against your messenger contract.

REVISED FORM MV-POA, "SECURE POWER OF ATTORNEY"

Form MV-POA, "Secure Power of Attorney," has been revised. The new edition date is 7-11. This form is distributed by Pennsylvania Automotive Association (PAA) and Pennsylvania Independent Automobile Association (PIADA) to authorized agents and insurance companies.

The revision to this form now provides space for the owner and co-owner (if vehicle is co-owned) to print and sign their name(s). If the vehicle is co-owned, all owners must provide power of attorney to disclose the mileage on the certificate of title for the vehicle, once the title is received by the dealer or insurance company from the lienholder.

VOLUNTARY SURRENDERED REGISTRATION PLATES AND CARDS BY DECENTRALIZED AGENTS

Form MV-90, "Surrender of Registration Plate to a Decentralized Service or Full Agent" is now obsolete. Form MV-91, "Application for Replacement Plate After a Voluntary Surrender of Plate by Owner" and/or Form MV-141, "Surrender of Registration Plate," replace Form MV-90 for purposes of accepting voluntarily surrendered registration plates and cards when insurance coverage is terminated or financial responsibility lapses. The "Procedures on Accepting Voluntarily Surrendered Registration Plates and Cards by Decentralized Agents" fact sheet has been updated to reflect this information.

REVISED FORMS AND FACT SHEETS

The following forms have been revised:

- ❖ MV-511M, "On-Line Messenger Order Form" now has an edition date of 8-11.
- ❖ MV-558, "Replacement of Apportioned Registration Credentials" now has an edition date of 9-11.
- ❖ MV-952, "Policy Request for Removal of Abandoned Vehicle" now has an edition date of 9-11.

The following fact sheets have been revised:

- ❖ The "How to Title and Register Your Out-of-State Vehicle in PA" fact sheet now has an edition date of July 2011.
- ❖ The "Imported and Exported Vehicles Procedure" fact sheet now has an edition date of September 2011.

AGENTS ARE REQUIRED TO ENSURE ALL THEIR EMPLOYEES RECEIVE PENNDOT'S DRIVER AND VEHICLE SERVICES UPDATE BULLETINS