

Partner Talk

Volume 2, Issue 1



Mailing to DOT

A Mail to DOT form should accompany all lien adds being mailed by non-exempt lenders for manual processing.

List a case number, if appropriate, and detailed information as to why the application was not processed electronically.

Spring 2010

Inside this issue:

Fond du Lac sales tax	2
Re-bundling title work	2
New special plates	3
Domestic Partnership changes	3
Priority service—revisited	4

Mandatory lien processing—coming July 1!

Effective July 1, 2010, non-individual secured parties will be required to electronically process lien adds and releases that are not part of a title transfer, unless the transaction is exempt or the secured party added 48 or fewer liens in the previous calendar year. Letters have been mailed to agencies that added more than 48 liens in 2009.

If a low volume secured party has WisDOT process a non-exempt transaction, there will be a \$5 fee, in addition to any counter fee that may apply. The \$5 fee may be passed to the customer. If a secured party that added more than 48 liens in the previous calendar year has WisDOT process a non-exempt transaction, there will be a \$5 fee plus a \$20 surcharge due for each application submitted, in addition to any counter fees that may apply. The \$20 surcharge may never be passed to the customer. If a transaction is exempt due to holds or technology limitations, there is no additional charge.

Information on electronic processing and the options available may be found at: <http://www.dot.wisconsin.gov/business/dealers/financial-inst.htm>

Notifying your customers of their lien release

Statute 342.22(1) states that a secured party must deliver to the vehicle owner a lien release or written notice that the lien release has been provided to WisDOT within 30 days, or within 10 days if requested in writing. A letter on letterhead or a printed copy of the system-generated confirmation that the lien was removed from WisDOT records are acceptable notices. This type of notification may also be done electronically.

If you choose to provide the customer a letter on letterhead, make sure to include the Vehicle Identification Number (VIN), the year and make of the vehicle, and the date of the lien satisfaction.

New “S” title numbers

As of July 1, an “S” title number, such as S0182A001001-9, will be issued when a lien add transaction is completed electronically by a secured party. Law requires the secured party to destroy the previous title provided by the customer after 60 days. No lien confirmations will be generated from electronic title transactions that issue an “S” title number.

Titles and applications for electronic lien adds and releases will not be imaged and should not be mailed in. Applications and receipts for replacement titles, repossessions, and title transfers must still be mailed to WisDOT for imaging.

As no lien confirmations will be generated for “S” titles, use the Inquiry function on your electronic processing system (CVR, e-MV Agent, triVIN), or use WisDOT’s lien look-up program to verify your lien is on the record.

Verify the electronic record

With the July implementation of Mandatory Lien Processing, more and more liens will be released electronically. Lenders will be required to provide customers with written documentation that the lien has been released electronically, but the customer will not receive a clear title until they have returned the old title to WisDOT. Check the electronic record to verify whether there are any liens on the title; the electronic record is the title record. If the title record is clear, do not ask the customer for an additional lien release.

Two ways to check the electronic record

- Use the Inquiry function on your electronic title processing system
- Use WisDOT's lien look-up program (requires a WAMS ID and password):
<http://on.dot.wi.gov/applicationdoc/lien/index.htm>

Fond du Lac County sales and use tax

Fond du Lac County has adopted a one-half percent (0.5%) county sales and use tax, effective April 1, 2010. The sale of vehicles customarily kept in that county will be subject to the tax if purchased on or after that date.

Request to re-bundle

When bundling title applications that contain lien release documents, please place the T084 **in front of the title** instead of the previous method of bundling with the T084 at the very back. This small document can cause a big jam if it gets caught with the title or other documents. If you have any questions on the order of your bundle work, please call the Agent Partnership Unit at 608-266-3566.

Plate inventory coming in June

WisDOT inventories its supply of metal license plates at the end of each fiscal year. All APPS agents that have metal plates will be required to submit a physical count of their Auto, Light Truck, Cycle and Moped plate stock. Inventory forms will be mailed out mid-June; results should be returned to WisDOT by June 30, along with any mailing and contact information changes for your agency.

Third party correction request form

On the rare occasion a processing error has been made and was not caught in time to do a reset, use our new correction request form, MV1047. This form can only be used to correct errors. It cannot be used to change ownership of a vehicle, alter an odometer statement or list a new lender due to a refinance.

Where to find the MV1047, Third Party Correction Request Form

- The forms menu of your electronic processing system
- On the Web at <http://www.dot.wisconsin.gov/forms/docs/mv1047.doc>
- Internet search for "WI MV1047"

Fill in as much information as possible, including the specific correction being requested. Additional documentation may be required to process the correction request. If you have any questions, please contact the Agent Partnership Unit at 608-266-3566.

Domestic Partnership changes due to budget bill

Chapter 770 of the Wisconsin state statutes, created by the 2009 Budget Bill, establishes a definition for domestic partnerships and defines many rights and responsibilities of domestic partners. Several DMV policies have been updated in response to the new law.

The law specifically amends s.342.17(4)(b), now allowing the transfer of vehicle ownership to a surviving domestic partner in the same manner as a surviving spouse. Regular, personalized, and special plates may transfer between domestic partners. Separate odometer readings do not need to be documented when the ownership of a vehicle transfers from one domestic partner to another. Forms such as the MV2300 (Statement of Transfer to a Surviving Spouse) have been updated to reflect the changes brought on by the new law.

There is no tax exemption on vehicle sales for domestic partners, whether private party or dealer transactions. Dealers are required to collect tax on vehicles purchased by family members, including domestic partners.

Paper MV1 form gets a makeover

WisDOT's new MV1 form is no longer a multi-layer carbon application. The instruction sheet on the left side of the application should be removed prior to sending the application for imaging. An attached instruction sheet can cause delays, as the imaging machinery needs to be stopped and the instruction sheet removed by a technician. Agents may continue to use up any remaining stock of older MV1 forms.

New special plates available



Two Endangered Resources plates are now available for your customers: the gray wolf design, first issued in 1995, and the new badger design, introduced April 7, 2010. A \$25 donation is required for original issuance of the Endangered Resources plates and each year at renewal. A \$15 first-time issuance fee is also required for non-personalized plates. Customers who wish to re-register a wolf plate to a new badger plate should visit our Web site for more information: <http://www.dot.wisconsin.gov/drivers/vehicles/personal/special/endanger.htm>



Two new Milwaukee Brewers plates are now available. One features the retro ball and glove logo; the other displays the current M logo. A \$25 donation is required for original issuance of the Milwaukee Brewers plate and each year at renewal. A \$15 first-time issuance fee is also required for non-personalized plates.

The Endangered Resources and Milwaukee Brewers special plates may be issued for Auto, Light Truck, Dual Purpose Farm/Vehicle, Farm and Motor Home (annual registrations only) registration types. Users of e-MV11 will find these plates currently available for issuance. Agents will be notified once the new plate designs have been added to other third party processing systems. When available on APPS processing systems, the plates will be processed as "out of stock" or "central issuance."

Retraction and correction

In the Volume 1, Issue 3 edition of *Partner Talk*, it was reported that the priority processing service option was being eliminated. The decision has been revisited due to overwhelming demand. While our department is not advertising the service, it is still available for applications for salvage title and salvage inspection.

To ensure that your applications for salvage title and salvage inspection are handled in a priority fashion, include the required \$4 priority service fee and use the following address:

APU/Salvage Inspection
PO Box 7909
Madison, WI 53707-7909

Wisconsin salvage titles required for inspection—a clarification from our last issue

When a Wisconsin dealer holds a vehicle with an out-of-state salvage title for resale, the dealer does not need to obtain a Wisconsin salvage title unless the vehicle will be taken for a salvage inspection prior to the sale. Wisconsin salvage inspections require Wisconsin salvage titles.

Tips of the trade

Each issue, we will focus on a few tips of the trade—helpful hints that will make processing flow much more smoothly for you and your customers.

Transfers of ownership

- Adding, removing, or changing a co-owner is considered a transfer of ownership; the same rules apply as any other transfer. When the customer assigns the title, they should enter the current odometer reading and select the applicable status.

In these cases, the odometer reading can be provided by the customer, who is both buyer and seller, and entered as ACTUAL. If the odometer statement is not available, retain the existing odometer reading and date.

- When adding, removing, or changing a co-owner, make sure to transfer any existing valid plate that is associated with the vehicle. If the transaction is processed and the plate is not included in the transfer, the vehicle will be left unregistered and your customer left open to potential law enforcement action.
- When doing a title transfer, review the entire application carefully to make sure you have accounted for all involved parties, including a lessee if one is listed. If a lessee is not added to the record at the time of the title transaction, problems for the customer may ensue at plate renewal time. When a leased vehicle is sold, the license plate belongs to and remains with the lessee; that customer may transfer it to another leased or non-leased vehicle.

Communicating with the Agent Partnership Unit

If you have questions regarding the electronic processing of title and registration applications, completion of yellow mailing labels, or resetting transactions, please feel free to call the Agent Partnership Unit at 608-266-3566. Phones are staffed from 7:30 a.m. to 4:30 p.m., Monday through Friday. The Agent Partnership Unit may also be reached via e-mail at: DOTDealseMV11@dot.wi.gov

Additionally, it is very important to return calls from the Agent Partnership Unit within 24 hours, or if a call is made on a Friday afternoon, by the following Monday. We may require additional information from you in order to address a correction or processing issue. Calls not returned in a timely manner may result in the delay of your customer's title or registration products.

