RIGHT WAY MANUAL
A QUICK START GUIDE

“Keeping Dealers in business, doing business right.”

Wisconsin Department of Transportation
Dealer and Agent Section
P.O. Box 7909
Madison, WI 53707-7909
608.266.1425
Fax 608.267-0323
DealerLicensingUnit@dot.wi.gov
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Website address: www.wisconsindmv.gov

License certificate - Hang it on the wall at your licensed location. If you have any branches or sub-lots, there is a certificate to display at each location. (Wis. State Stat. §218.0114(17))

Salesperson licenses - Each salesperson should sign his or her license and carry it when making sales. (Wis. State Stat. § 218.0114(18)) – MV2184 – Salesperson / Representative License Application


Buyer’s licenses - Required by employees or those who contract with motor vehicle dealers or wholesalers to submit bids and purchase motor vehicles held and offered for sale by motor vehicle wholesale auctions and dealers. (By policy only, owners are not required to have one but may apply for one if they wish to. This may change in the near future) (Wis. State Stat. § 218.0114(18)) – MV2941 – Buyer’s License Application.

Dealer License Plates – Plates come in a pack of two: any additional plates will be ordered and should be received within 3-4 weeks. (Wis. State Stat. § 341.51(2)) – MV2176 – Additional or Replacement Plates Application (Dealers).

Electronic Processing Required – Mandatory dealer processing has been required since a law was passed in 2007. Your dealership must process electronically within 30 days of the issuance of your license. (Wis. State Stat. § 342.16(1)(a), (am) & Wis. Admin. Trans. Code 141.03(1))

Dealer and Agent Section phone hotline hours:

7:30 – 4:30 Mon thru Friday
# BUSINESS FORMS

## WHAT FORMS SHOULD I ORDER

- Wisconsin Title and License Plate Application (MV11)
- Wisconsin Buyers Guide (also known as window stickers or buyer disclosure labels MV2872)
- Wholesale Buyers Guide (used for dealer to dealer sales disclosures MV2895)
- Standard Motor Vehicle Purchase Contracts or Used Motor Vehicle Purchase contracts
- Motor Vehicle Log Book (this log book may also be kept electronically.)

## WHERE TO GET THE FORMS

<table>
<thead>
<tr>
<th>Organization</th>
<th>Phone</th>
<th>Toll Free</th>
<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td>WATDSASI Forms</td>
<td>(608)251-5577</td>
<td>(800)236-7672</td>
<td><a href="http://www.watdasi.com/">http://www.watdasi.com/</a></td>
</tr>
<tr>
<td>PO Box 5345, Madison, WI 53705</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reynolds &amp; Reynolds</td>
<td>(800)654-6768</td>
<td>(866)576-3147</td>
<td><a href="http://www.reysource.com">www.reysource.com</a></td>
</tr>
<tr>
<td>ADAMM - Automobile Dealers</td>
<td>(888)225-9206</td>
<td></td>
<td><a href="https://shop.adamm.com/default.asp">https://shop.adamm.com/default.asp</a></td>
</tr>
<tr>
<td>Association of Mega Milwaukee, Inc.</td>
<td>(414)359-9439</td>
<td></td>
<td></td>
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<tr>
<td>10810 W Liberty Dr, Milwaukee, WI 53224</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R. B. Cotton &amp; Associates</td>
<td>(414)393-0000</td>
<td></td>
<td><a href="http://www.idgwisconsin.com">www.idgwisconsin.com</a></td>
</tr>
<tr>
<td>4820 N 76th Street, Milwaukee, WI 53218</td>
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</tbody>
</table>
## CONTACTS

### DEPARTMENT OF TRANSPORTATION

<table>
<thead>
<tr>
<th><strong>Title and Registration Information (Dealer use only):</strong></th>
<th><strong>Phone:</strong> (608)266-1466</th>
</tr>
</thead>
<tbody>
<tr>
<td>Titling and registration problems, including mechanics lien procedures; rebuilt vehicle, title brands; correspondence letters.</td>
<td>(after the intro, press 2, 1, 1)</td>
</tr>
<tr>
<td><a href="http://wisconsindot.gov/Pages/online-srvcsexternal/bvs-landing.aspx">http://wisconsindot.gov/Pages/online-srvcsexternal/bvs-landing.aspx</a></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Research and Information (Consumer Information):</strong></th>
<th><strong>Phone:</strong> (608)266-1466</th>
</tr>
</thead>
<tbody>
<tr>
<td>Titling/registration information</td>
<td></td>
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<tr>
<td><a href="http://wisconsindot.gov/Pages/online-srvcsexternal/bvs-landing.aspx">http://wisconsindot.gov/Pages/online-srvcsexternal/bvs-landing.aspx</a></td>
<td></td>
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<tr>
<th><strong>Vehicle Records:</strong></th>
<th><strong>Phone:</strong> (608)266-3666</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicle record searches, lien holder information</td>
<td></td>
</tr>
<tr>
<td><a href="http://wisconsindot.gov/Pages/online-srvcsexternal/bvs-landing.aspx">http://wisconsindot.gov/Pages/online-srvcsexternal/bvs-landing.aspx</a></td>
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</tbody>
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<tr>
<th><strong>Special Plates:</strong></th>
<th><strong>Phone:</strong> (608)266-3041</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personalized, Disabled, all special interest plates</td>
<td></td>
</tr>
<tr>
<td><a href="http://wisconsindot.gov/Pages/dmv/vehicles/title-plates/special-list.aspx">http://wisconsindot.gov/Pages/dmv/vehicles/title-plates/special-list.aspx</a></td>
<td></td>
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</tbody>
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<thead>
<tr>
<th><strong>Dealer &amp; Agent Section:</strong></th>
<th><strong>Phone:</strong> (608)266-1425, Fax: (608)267-0323</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dealer and salesperson license; Bid card; Consumer complaints, Lemon Law and Odometer information; Wise Buys; Lease advertising, practices and licensing</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th><strong>Dealer Licensing Unit:</strong></th>
<th><strong>Phone:</strong> (608)266-3566</th>
</tr>
</thead>
<tbody>
<tr>
<td>Questions about your dealer license, salesperson, BID and buyers licenses and to report lost or stolen dealer plates. They also answer questions about signing on for e-MV electronic processing.</td>
<td></td>
</tr>
<tr>
<td>e-mail: <a href="mailto:dealerlicensingunit@dot.wi.gov">dealerlicensingunit@dot.wi.gov</a></td>
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<thead>
<tr>
<th><strong>Agent Partnership Unit:</strong></th>
<th><strong>Phone:</strong> (608)266-3566</th>
</tr>
</thead>
<tbody>
<tr>
<td>Questions you have about title processing for your electronic processing program.</td>
<td></td>
</tr>
<tr>
<td>e-mail: <a href="mailto:DOTDMVBVSCCAAPU@dot.wi.gov">DOTDMVBVSCCAAPU@dot.wi.gov</a></td>
<td></td>
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<table>
<thead>
<tr>
<th><strong>Electronic Processing</strong></th>
<th><strong>Phone:</strong> (608)266-1425, (608)266-3566</th>
</tr>
</thead>
<tbody>
<tr>
<td>eMV11 sign up questions</td>
<td></td>
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<tr>
<td>APPS Hotline (Automated Processing Partnership System), Assistance with title or registration questions for dealers processing electronically.</td>
<td></td>
</tr>
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<thead>
<tr>
<th><strong>Field Investigation Unit:</strong></th>
<th><strong>Phone:</strong> (414)266-1080</th>
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</thead>
<tbody>
<tr>
<td>Questions about disclosures, advertising sales, and record keeping.</td>
<td></td>
</tr>
<tr>
<td>See the territory map for contact information.</td>
<td></td>
</tr>
<tr>
<td>e-mail: <a href="mailto:DealerInvestigationUnit@dot.wi.gov">DealerInvestigationUnit@dot.wi.gov</a></td>
<td></td>
</tr>
</tbody>
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<tr>
<th><strong>Emission Inspection Program:</strong></th>
<th><strong>Phone:</strong> (608)266-1466</th>
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<tr>
<td></td>
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</tr>
<tr>
<td><a href="http://wisconsindot.gov/Pages/online-srvcsexternal/bvs-landing.aspx">http://wisconsindot.gov/Pages/online-srvcsexternal/bvs-landing.aspx</a></td>
<td></td>
</tr>
</tbody>
</table>
General test information, test station locations Toll-Free: (800)242-7510

Motor Carrier Services:
Insurance, International Registration Plan (IRP), Phone: (608)266-9900
Fuel Tax, Permits (Oversize, overweight)

DMV Plate Room:
Plate orders shipment problems Phone: (608)266-1473
Place plate orders (must be done by fax) Fax: (608)266-1472

Driver Licensing:
Verify status of Wisconsin driver license Phone: (608)266-2353

OTHER STATE AGENCIES

Department of Agriculture, Trade, and Consumer Protection – Repair facility regulation
Website: www.datcp.wi.gov
2811 Agriculture Drive Phone: (800)422-7128
PO Box 8911 Fax: (608)224-4677
Madison, WI 53708-8911 TTY: (608)224-5058

Department of Financial Institutions - Credit sales; leasing (over 4 months); motor vehicle
sales finance companies; forming corporations, LLC
Website: www.wdfi.org
Bureau of Consumer Affairs Phone: (608)264-7969
PO Box 8041 Toll-Free in (800)452-3328
Madison, WI 53708-8041 Wisconsin

Department of Safety and Professional Services – Regulate professional licenses such as
auctioneers.
Website: www.dsps.wi.gov
1400 East Washington Ave., Rm 112 Phone: (608)266-2112
PO Box 8935 Toll-Free: (877)617-1565
Madison, WI 53708-8935 E-mail: dsps@wisconsin.gov

Department of Natural Resources – Boat information, Hazardous air and waste disposal
Website: www.dnr.wi.gov
Locations by region: http://dnr.wi.gov/Contact/SSbyRegion.html
101 S Webster Street Phone: (608)266-2621
PO Box 7921 Toll-Free (888)936-7463
Madison, WI 53707-7921 Fax: (608)261-4380

Department of Revenue – Sales tax, quarterly reporting, refunds
Website: www.revenue.wi.gov
Locations: https://www.revenue.wi.gov/Pages/FAQS/ise-address.aspx
2135 Rimrock Road Phone: (608)266-2772
Madison, WI 53713 Fax: (608)267-0834

Department of Workforce Development – Wages, employee complaints
Website: www.dwd.wisconsin.gov
Locations: http://www.wisconsinjobcenter.org/directory/default.htm
Phone: (608)266-3131
Toll-Free: (888)258-9966

Wisconsin Commissioner of Insurance – Service agreements other than dealer or
manufacturer warranty
Website: www.oci.wi.gov
Department of Justice – Attorney General of Wisconsin – *Class action suits*
Website: [www.doj.state.wi.us](http://www.doj.state.wi.us)
17 W Main Street
PO Box 7857
Madison, WI 53703

**OTHER AGENCIES**

**United States Custom Service** – *Federal regulations for exporting vehicles*
Website: [www.cbp.gov](http://www.cbp.gov)
619 S. Canal Street Rm 300
Chicago, IL 60607

**National Highway Traffic Safety Administration (NHTSA)** – *Auto Safety Hotline*
Website: [www.nhtsa.gov](http://www.nhtsa.gov)
1200 New Jersey Ave SE
Washington, DC 20590

**Advertising Dealers Association of Mega Milwaukee (ADAMM)**
Website: [www.adamm.org](http://www.adamm.org)
10810 W Liberty Drive
Milwaukee, WI 53224

**Wisconsin Automobile and Truck Dealers Association (WATDA)**
Website: [www.watda.org](http://www.watda.org)
150 E Gilman Street, Suite A
Madison, WI 53703
Wis. Admin. Trans Code 139.03

The State and Federal laws that regulate dealer advertising are enforced by several agencies. The Dealer and Agent Section reviews print, radio, television and Internet ads for truthful and factual information.

CLEAR AND CONSPICUOUS

Disclosure in all advertising must be made “clearly and conspicuously.” For example, footnotes in TV, Internet or print ads must be easy to read and understandable. Likewise, listeners need to be able to clearly hear and comprehend radio ads. Also, Internet customers should not have to search through the complete web site for disclosures.

FACTUAL

Using false, deceptive or misleading advertising or representations to induce the purchase of a motor vehicle is an unfair practice and is prohibited. For example, ads that state, “We’ll pay off your loan no matter how much you owe,” are misleading, because they do not tell customers that their current loan balance will be added to the loan for the new vehicle they are purchasing.

When you make a statement of fact in any advertisement or representation, you must be prepared to provide detailed evidence of its accuracy and validity to the department upon request. For example, when advertising, “More than 200 used trucks in stock,” you must be able to provide proof that you have more than 200 trucks in stock at the time of the ad.

Clearly identify which vehicles are for sale and which are for lease when advertising both in the same ad. If the advertisement contains only lease vehicles, you must disclose that fact.

All ads should include:

- Dealership name.
- Expiration terms of a sale or promotion.
- Model year of any specific vehicles described.

Do not use an address, phone number or e-mail address other than that of the dealership’s licensed location or authorized temporary location. A business card may include a home phone number or e-mail address in addition to the business phone number and address.

“THE LARGEST” – WIS. ADMIN. TRANS. CODE 139.03(2)(B)

An advertisement that a dealership is the “largest” must be based only on vehicle sales volume, and clearly state the basis for the claim. Include the time period in which the dealership was the “largest,” if not the entire last 12 months. Include the make of vehicle the dealership sold in order to become the “largest.” Included the geographic area in which the dealership claims to be the largest, if other than statewide. In determining new vehicle sales volume, each vehicle make must be considered separately.
VEHICLE PRICES

The advertised price must include all charges that the customer will pay, except sales tax, title, registration fees, and service fees. Post advertised prices on the vehicle. Don’t use phrases such as “write your own deal” or “name your own price” because they mislead customers – Wis. Admin. Trans. Code 139.03(8). The advertised price does not need to include the amount of the service fee if the advertisement clearly and conspicuously discloses that the advertised price does not include the optional service fee. Written advertisements shall disclose the amount of the service fee, or that the advertised price does not include the amount of the service fee.

NEW VEHICLE DISCOUNT

You may only advertise new vehicles using terms such as “invoice,” “cost,” or similar terms when you disclose that the “actual dealer cost is, or may be less, due to factory holdbacks, rebates, incentives, or other discounts.”

TRADE-IN ALLOWANCE

You may not use a specific price as an offer for a trade-in if the price is based on the condition, model, or age of the trade-in. You are not allowed to use phrases such as, “we will pay up to,” “appraise your own vehicle” or “as much as” when advertising an allowance for a trade-in. You are allowed to say, “Push, pull or drag” when advertising a trade-in allowance as long as it is truthful.

“FREE” MERCHANDISE

Don’t use the word “free” in any advertising if the customer must purchase something to receive the “free” merchandise, equipment, accessories or service. You may state that an item “is included with” the purchase.

AVAILABILITY

When you say a certain type of vehicle is available, be sure you have enough to meet anticipated demand. If the vehicles are not on hand, you must know that they will be delivered within a reasonable time.

CLEARANCE SALES

Phrases such as “last of the remaining, closeout, or clearance,” can only be used when you will no longer be offering that year, make or model of vehicle for sale. Do not use these statements to advertise used vehicles unless the dealership is actually going out of business.

NEW VEHICLES

Only franchised new vehicle dealers, distributors and manufacturers may advertise or sell new vehicles. “New” means any untitled or non-privately titled motor vehicle of the stated model year which has not been operated more than 200 miles for purposes other than manufacturer tests, pre-delivery test by a dealer, dealer exchange or delivery – Wis. Admin. Trans. Code 139.02(11).
A titled vehicle is considered new if it has not been privately titled and has been operated less than 6,000 miles, or has been operated less than 4,000 cumulative miles and owned less than 120 days by the dealer offering the vehicle for sale – Wis. Admin. Trans. Code 137.03(9)(b)2.

**USED VEHICLES**

A vehicle must be advertised as “used” when the vehicle is other than a new motor vehicle and includes executive or demonstrator vehicles or is from the previous model year.

- **Executive** means any untitled or non-privately titled motor vehicle, which was used primarily by executives of licensed manufacturers, distributors or dealers and not used for demonstration to the public – Wis. Admin. Trans. Code 139.02(5).
- **Demonstrator** means any untitled or non-privately titled motor vehicle, which was used primarily for the purpose of demonstration to the public – Wis. Admin. Trans. Code 139.02(4).
- **Previous model year** means a vehicle after December 31 of the calendar year identical to the manufacturer’s designated model year – Wis. Admin. Trans. Code 137.03(9)(b)4.

To clarify a 2017 model year vehicle may be offered for sale and sold by any motor vehicle dealer after December 31, 2017.

**PROGRAM CARS**

“Program cars” are typically factory executive, rental or off-lease vehicles or vehicles repurchased and sold by manufacturers. The term “program cars” is misleading because it doesn’t tell your customer the prior use of the vehicle. Advertisements of “program cars” should state the prior use, each time the term is used, so customers know what is being advertised. For example: “Program Rental Cars.”

**REBATES**

To avoid misleading advertising of rebate offers, be as specific as possible about what you are offering. Whenever rebates are advertised, specify the type of rebate, the dollar amount and whether you or the buyer is to receive the rebate. Customers will then be able to determine the price they will have to pay for the car if they don’t qualify for the rebate.
USED VEHICLE PRICING GUIDES

Do not use new vehicle price lists, wholesale or retail pricing guides to compare price savings for specific used vehicles.

Exception: A motor vehicle pricing guide may be used if the use of the guide as the source of the pricing is stated in any required disclosure and the dealer makes the full objective documentation used to set the price available in writing to the customer – Wis. Admin. Trans. Code 139.03(5).

DAMAGED VEHICLES

If two or more vehicles are damaged by the same cause, include the cause of the damage in all ads regardless of the extent of damage. For example, if two or more vehicles were damaged by a hailstorm, flood or tornado, disclose the cause of the damage. Always tell the customer about a flood-damaged vehicle, whatever the extent of the damage.

LEASE ADVERTISING

When you use any of the following “triggering” terms when advertising a vehicle lease, you must include all of the following disclosures:

   Triggering terms:
   • Amount of any payment required.
   • A statement that any down payment is required or no down payment.

   Required disclosures:
   • That the transaction is a lease.
   • The total amount of any payment required at the beginning of the lease (or a statement that none is required).
   • The number amounts, due date, and total of payments under the lease.
   • Whether the lessee has the option to buy the vehicle and at what price.
   • The amount of any liabilities the lessee may have at the end of the lease.

LEASE-ONLY DEALER ADVERTISING

Ads for “lease-only” dealerships must show the phone number and address for the licensed location. If the lease-only dealership is located on the premises of a financial institution, the dealership address may be followed by the name of the bank in which the dealership is located.

For example, an ad might read, “Joe’s Leasing [address], located in Elm Street Savings and Loan.”

Lease-only dealerships may not advertise vehicles for sale, or advertise specific vehicles for lease, since the dealership holds no inventory.
ADVERTISING SERVICE FEE

The advertised price does not need to include the amount of the service fee if the advertisement clearly and conspicuously discloses that the advertised price does not include the optional service fee. Written advertisements shall disclose the amount of the service fee, or that the advertised price does not include the amount of the service fee.
RECORDS

RETAIL DEALERSHIP RECORDS

Retail dealers are required to keep and maintain the following books and records at the licensed business location for a period of five (5) years: (Wis. State Stat. § 218.0116(3)(a)1, 342.16(2), & Wis. Admin. Trans. Code 138.04(3))

- Original ownership documents must be in the file for all vehicles offered for sale
- Copy of both sides of the ownership document for all vehicles sold
  - MSO or title
  - Auction bills of sale
  - Block ticket
- Odometer statement, incoming and outgoing which should be shown on the title. Original or copy of the motor vehicle purchase contract, purchase orders, and invoices.
- Copy of the MV11 (Wisconsin Title and Registration application) or electronic receipt if processing electronically.
- Consignment agreements.
- Wisconsin Buyers Guide.
- Wholesale Buyers Guide.
- Used Vehicle Logbook.
- Temporary plate logbook.
- Lease agreement.
- Power of Attorney.

All records must be available during business hours for the department to inspect and copy. Multi-dealer group dealerships may centralize their records.

WHOLESALE DEALER RECORDS

(Wis. Admin. Trans. Code 138.04(2))

Wholesale dealers are required to keep and maintain the following books and records at the licensed business location for a period of five (5) years:

- Copy of both sides of the ownership document:
  - Title
  - Auction Bill of sale
  - Block ticket
- Odometer statement, incoming and outgoing which should be shown on the title.
- Wholesale Buyers Guide.
- Used Vehicle Logbook.
Auctions are required to retain records for each auctioned vehicle for five (5) years (Wis. Admin. Trans. Code 138.05(4)). These records must include:

- Copy of both sides of the ownership document (MSO or title).
- Name of the most recent selling dealer.
- Buyer’s name and address.
- Vehicle year, make, identification number.
- Odometer reading including mileage status as of the date the auction took possession. For example, mark whether mileage is actual or not actual.
USED VEHICLE CHECK LIST

- Enter vehicle in log book immediately. - Wis. State Stats. § 342.16(2), and § 218.0116(5); Wis. Admin. Trans. Code 138.04(1)(f) and (h).

- Title must be available and signed by the seller. - Wis. State Stat. § 342.15(1)(a); assigned to the dealer, Wis. Admin. Trans. Code 138.04(1)(a); date signed by the seller; mileage entered by the seller; and the lien must be released Wis. Admin. Trans. Code 139.07.

- Odometer statement from previous owner on conforming title. - Wis. State Stat. § 342.155(1)(b); Wis. Admin. Trans. Code. 139.04(7)(b) & (c).

- Reassignment from any and all dealers and auctions on conforming title. - Wis. State Stat. § 342.16(1)(a); Wis. Admin. Trans. Code 154.06.

- Conduct inspection of the vehicle and complete the Wisconsin Buyers Guide. - Wis. Admin. Trans. Code 139.04(4) & (5).


- Test drives - Make sure the driver has a valid driver's license.

- Dealer plate can be displayed provided all items above are completed. - Wis. State Stat. § 341.55(1) & (2), Wis. State Stat. § 341.47.

- Purchase contract completed by a licensed sales person - Wis. Admin. Trans. Code 139.05(1). First six items above must be completed before a purchase contract is written. - Wis. State Stat. § 218.0141; Wis. Admin. Trans. Code 139.05.

- Explain Buyers Guide have buyer sign and date your file copy - Wis. Admin. Trans. Code 139.04(6).

- MV11 completed and submitted to DMV within 7 business days. - Wis. State Stat. § 342.16(1)(a).

- Provide customer with a temporary license plate if they do not have a license plate to transfer – Wis. State Stat. § 341.09(1)(a); Wis. Admin. Trans. Code 132.06. If you are an APPS dealer, you must provide a metal plate when processing the application.

USED VEHICLE LOGBOOK

Retail, wholesale, and auction dealers must keep the following information for every used vehicle, including demonstrator and executive vehicles that you buy, sell, exchange, or consign. If you transfer vehicles within a dealership group, you must record them in the logbook at each dealership location. You may keep the logbook records manually or electronically, but you must keep the information in this format:

<table>
<thead>
<tr>
<th>Date Acquired</th>
<th>Acquired From: Name and Address</th>
<th>Year – Make - VIN</th>
<th>Date sold or disposed of</th>
<th>Disposed of or sold to: Name and Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/25/99</td>
<td>MMAA/Joes A/S, 123 Main, Fond Du Lac</td>
<td>96 Ford 1FAPB2375TL769874</td>
<td>6/22/99</td>
<td>Kim’s Kars, 400 Main, Kaukauna</td>
</tr>
<tr>
<td>5/26/99</td>
<td>FVAA/Kim’s Kars, 400 Main, Kaukauna</td>
<td>89 Ford 1FARP52U3JG121038</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5/26/99</td>
<td>FVAA/Kim’s Kars, 400 Main Kaukauna</td>
<td>88 Ford 1FABP52U3JG121038</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6/1/99</td>
<td>Toms Trucks, 100 South St, Tomahawk</td>
<td>90 Chev 2CEB567891P123657</td>
<td>6/10/99</td>
<td>Bob Smith, 123 Main, Blumer</td>
</tr>
</tbody>
</table>

Manual record keeping requires a permanently bound book with pre-numbered pages and ruled horizontal lines. Enter each vehicle consecutively in the order in which you acquired it. Entries must be in ink and legible. No blank lines will be allowed.

**Note:** Correct logbook errors by drawing one line through the error and re-entering the information on the next available line. Don’t use whiteout or obliterate the information. When acquiring or selling a vehicle at an auction, list both the auction and dealer’s name in your logbook.

The following are examples of how to enter information and how to correct errors.

Electronic record keeping requires that vehicle information is retrievable by any of the following fields:

- Date the vehicle was acquired.
- Name of the owner from whom you acquired the vehicle.
- Vehicle identification number (VIN).
- Date of sale.
- Name of the person to whom you sold the vehicle.
Records must be retrievable during a WISDOT inspection. You must keep a printer on site, and print the records at the department’s request. An employee must be available to retrieve the records during business hours.

You may meet the record retention requirements by keeping a printed copy of records if your system memory is limited. The printed copy must show the following:

- Only the records of vehicles that have been disposed of or sold. Records of vehicles that have not been sold must remain on the electronic system until the record is completed after the sale.

- All the information in the same format as required for a logbook kept manually. However, horizontal and vertical lines are not required.

- Entries must be in order by the date the vehicle was acquired. Each report should contain at least twelve (12) months’ worth of records.

- System-generated page numbers and the current date on every page.
**DISCLOSURE**

Dealers must provide certain information and documents to customers when offering a vehicle for sale. State and federal laws require disclosures to protect consumers and to allow them enough information to make an informed decision when buying a vehicle. Dealers are responsible for properly disclosing vehicle information. All written or spoken information dealership staff gives to customers must be truthful. Concealing facts or failing to provide required information is illegal.

**MODEL YEAR DISCLOSURE**

For any vehicle offered for sale, the manufacturer's original designated model year must be disclosed on the Wisconsin Buyers Guide and the Motor Vehicle Purchase Contract. Vehicles manufactured by a second stage manufacturer may require that both the chassis model year and the year of second stage manufacturing be disclosed. For example, a motor home completed by a second stage manufacturer in 1999 on a 1998 chassis would require both model years to be disclosed.

**NEW VEHICLE DISCLOSURE**

For new vehicles, disclose on the purchase contract and the dealer supplemental price label the following information:

- Any original parts, equipment or accessories that have been removed or replaced with parts of lesser quality.
- Any products and accessories that have been installed or services that have been performed after the vehicle left the factory.

Any warranty included with dealer installed options or accessories needs to be disclosed on the purchase contract only.

**PRE-DELIVERY TEST AND INSPECTION REPORT**

- Give the purchaser a copy of the Pre-delivery test and inspection report before delivering a vehicle.
- Indicate on the report any items repaired at the dealership.

**MANUFACTURER SUGGESTED RETAIL PRICE (MSRP) LABEL**

This federally required label must remain on the window of a new, demonstrator, or executive driven vehicle until the vehicle is delivered to the retail purchaser. The MSRP label contains information about standard equipment, options, base price, transportation charges, final assembly point and receiving dealer.

**DEALER SUPPLEMENTAL PRICE LABEL**

Show on the dealer supplemental price label all equipment or services the dealer adds or removes after the vehicle leaves the factory. The label should include the following:

- Description and retail price of dealer installed optional equipment, accessories or services.
- Price changes from the MSRP including dealer mark-up and or service fee charged.
- Final dealer price.
Attach the label to the vehicle window in a conspicuous location. Do not remove the label until the vehicle is delivered to the customer.

Optional items or services that may be available for purchase, but have not been installed (such as an extended warranty) should not be shown on the dealer supplemental price label.

**EMISSION STANDARDS CERTIFICATE**

This certificate confirms that the vehicle's emission control systems have been properly installed and inspected. Complete the certificate by doing the following:

- Inspect the emission system to insure it is installed properly.
- Complete the certificate as required by the US Environmental Protection Agency.
- Have a representative of your dealership and the customer sign the certificate. This will protect you in the future if the emission fails.
- Give a copy to the customer at the time of delivery. The certificate will tell the customer what to do if the emission system fails.

**DAMAGE DISCLOSURE STATEMENT**

When any new, demonstrator or executive driven vehicle has corrected damage of more than six percent of the MSRP, a written disclosure must be presented to the purchaser before delivery of the vehicle. Corrected damage is determined by retail repair costs. Damage to a vehicle's glass, tires, or bumpers are excluded in determining the six percent amount when the replacement parts are identical to the manufacturer's original equipment. Any uncorrected damage, regardless of the extent, must also be disclosed to the purchaser before delivery of the vehicle.

**LEASE BUY-OUT DISCLOSURES**

When a lease customer wishes to exercise the option to buy his or her leased vehicle, it is not necessary to inspect the leased vehicle before sale or complete the disclosures on the Wisconsin Buyers Guide. This disclosure exemption applies only when the lessee or the lessee's agent or driver is buying the vehicle. In the event of a lease buy-out by the lessee or agent, keep a signed "statement of fact" from the purchaser on file for five years instead of a Wisconsin Buyers Guide. Also, note that a lease buy-out must be transacted by a licensed salesperson using the motor vehicle purchase contract.
SERVICE FEES

You may charge a service fee for completing inspections and forms required by law. The service fee is a dealership fee, not a government fee, and is not required by law. Service fees reflect your costs for complying with mandated state and federal laws, and may be negotiable.

If you charge a service fee, the fee must first be posted on the vehicle being offered for sale either on the Wisconsin Buyer’s Guide for used vehicles or a separate supplemental label for new vehicles.

Upon request from a purchaser, you must provide a written disclosure of the services included in any service fee assessed. In addition, when asked by DMV you must be able to provide an itemized description of the fee, including justification for the amount being charged.

Examples of some of the items that may be included in a service fee:

- Check vehicle safety, history and titles.
- Inspect vehicle to provide full condition information on the window label.
- Discover and disclose accurate vehicle mileage.
- Check for recalls on used vehicles where required.
- Complete required forms and contracts that protect your interests.
- Process titles and plates electronically.
- File and clear liens.
- Keep information private and secure.
- Fulfill vehicle emission laws.
- Pass along manufacturer information, including lemon law notices.
- Process taxes on your purchase and rebates.
- Keep you informed of your rights and obligations.
- Keep important records of your purchase.
- Purchase required forms and supplies.
- Maintain technology to process your paperwork faster.
- Train staff to carry out laws that protect you.
- Maintain professional licenses that ensure quality service.
Use reasonable care when inspecting vehicles for safety and mechanical defects before offering them for sale. Standards for vehicle equipment are included in Wis. Admin. Trans. Code 305 and Wis. State Stat. § 347. Show the results of the inspection on the Wisconsin Buyers Guide. The guide must be attached to the window whenever possible, and must be readable from outside the vehicle. We recommend placing the guide on a window that will not block the driver’s view. The back of the guide should be readable from inside the vehicle, since it contains important consumer information.

Note: The Buyers Guide represents the condition of the vehicle at the time of sale. Re-inspect the vehicle and complete a new guide anytime there is a change in the condition of a vehicle since it was first inspected.

DISPLAY A WISCONSIN BUYERS GUIDE ON ALL VEHICLES, EXCEPT THE FOLLOWING:

- Trucks over 16,000 pounds
- Demonstrator or executive-driven vehicles still in service.
- Vehicles that are not offered for sale and are labeled “not inspected for sale.”
- Vehicles coming from or going to a wholesale transaction.
- Unrepaired salvage vehicles that are conspicuously labeled, ”This is a salvage vehicle.”
- A vehicle sold to the lessee at the end of the lease.
- Vehicles going to or from a place of repair
- Motorcycles – complete the Used Motorcycle Disclosure form before offering it for sale. This form does not need to be displayed on the motorcycle, but must be shown to your customer before you complete a purchase contract.

REASONABLE CARE STANDARD

Required disclosure of vehicle history, prior use, title brands and vehicle condition is limited to what you find using reasonable care. Using reasonable care may mean inspecting more thoroughly than regulations require.
when routine inspection reveals anything suspicious. Using reasonable care means you will do the following before offering a vehicle for sale:

- Test drive the vehicle and inspect the interior and exterior, including under the hood and under the vehicle. You are not required to take the vehicle apart (except brakes) or run tests unless necessary to diagnose apparent symptoms.
- Report information you get from manufacturer and auction notices, prior owner documents and disclosures, and your own vehicle inspection and repair records. You are not required to contact prior owners or get records of previous titles unless necessary to clear up inconsistent or questionable information.

**MATERIAL VEHICLE HISTORY**

Dealerships are required to disclose any "material history" about a vehicle. Vehicle history is "material" when any of the following are true:

- The information would be important to any reasonable person.
- The buyer asks about it.
- The dealership knows or has reason to know the information would be important to the buyer.

Material history should be disclosed on the Wisconsin Buyers Guide under "Other" in the "Vehicle History" section. When history information becomes material after the guide has been completed, and you have a buyer, record the information on the Motor Vehicle Purchase Contract under "Other conditions of sale." If the vehicle is not sold, complete a new Buyers Guide disclosing the material information. When you are unsure whether history information would be material to a buyer, it is best to disclose it and avoid problems later.

**COMPLETING THE WISCONSIN BUYERS GUIDE**

**VEHICLE INFORMATION**

Enter the dealership name, the vehicle year, make, model, identification number, engine size, drive type and transmission in this section. Engine size should be entered in liters or cubic inches and number of cylinders. Drive types are front wheel, rear wheel, All-wheel drive, or 4-wheel drive. Indicate whether the transmission is automatic or manual and specify the number of forward gears. Stock numbers are not required; this space is provided for your convenience.

The price entered on the Buyers Guide is considered the advertised price. Therefore, advertising regulations apply. You may not charge a higher price than the price listed on the Buyers Guide. The price on the Buyers Guide must match the retail price on the purchase contract.

**Note:** For motor homes and other second stage vehicles, show the chassis year and the finished vehicle model year if different.

**VEHICLE HISTORY**

Report the vehicle history from information that appears on the title or is provided by the previous owner. You may also obtain information from repair invoices or other documents you find when inspecting the vehicle. Use "other" when there is material history to disclose, which falls outside the listed categories. For
example, "water damage" should be disclosed under "other." (Water damage means damage to a vehicle that has been covered in whole or part by water whether by flood or other occurrence and the damage is less than what is required to meet the definition for flood damage title branding.) Mark "history and use not known" only if you have no way of knowing the vehicle history. If you acquire a vehicle titled in the name of an insurance company and no other prior history is available, you may mark “titled to insurance”.

Check all that apply:

- "**Personal use**" applies to a motor vehicle owned or leased by an individual and primarily operated for personal use.
- "**Business use**" applies to a motor vehicle owned or leased by either a company (other than lesser) or an individual, and primarily operated for business use.
- "**Lease use**" applies to a motor vehicle leased for a period of time exceeding four months.
- "**Rental use**" applies to a motor vehicle rented for less than four months at a time.
- “**Demonstrator use**” applies to an untitled or non-privately-titled motor vehicle which was used primarily for the purpose of demonstration to the public.
- “**Executive use**” applies to an untitled or non-privately-titled motor vehicle which was used primarily for executives of licensed manufacturers, distributors or dealers and not used for demonstration to the public.
- “**Titled to insurance**” applies to a vehicle titled in the name of an insurance company.
- "**Other**" applies to a vehicle with other material history that should be disclosed.
- “**History and use not known**” applies to a vehicle for which history and prior use cannot be discovered by the dealership using reasonable care.

**TITLE BRANDS**

A title brand is a permanently printed phrase that describes the vehicle's history on all subsequent titles produced. Sellers must disclose whether a vehicle was rebuilt salvage, flood damaged, manufacturer buyback, non-USA standard, insurance claim paid, formerly used as a police vehicle or a taxicab. Use "other" for non-USA standard, police vehicle, taxicab, or if another brand exists on an out-of-state title. Failure to disclose required brands before transferring ownership may result in fines or imprisonment or both.

- “**Rebuilt salvage**" means a motor vehicle that was declared salvage has now been rebuilt and has passed a Wisconsin salvage inspection.
- "**Transferred to insurance co. - damage claim paid**" means a vehicle less than 7 model years old, damaged more than 30% but less than 70% of its fair market value, and, after payment of claim, transferred to the insurance company.
- "**Flood damaged**“ means a vehicle damaged by flood to the extent that the cost of the repairs (estimated or actual, whichever is greater) exceed 70% of its fair market value.
- "**Manufacturer buyback**" means a vehicle that was repurchased by the manufacturer (or authorized dealer with compensation from the manufacturer) under Wisconsin’s, or another state’s Lemon Law.
- “**Other**" means a vehicle with other brands or history requiring a brand not listed on the guide, including Non-USA standard, police vehicle, taxicab or brands appearing on out-of-state titles.
- “**Non-USA standard**” means a vehicle that was not manufactured with all federal emission and safety standards applicable at the time of manufacture (gray market vehicle).
- “**Police vehicle**” means a vehicle used or registered as a police vehicle by a law enforcement agency.
• "Taxicab or for public transportation" means a vehicle used or registered as a taxicab or used by public transportation.

**SALVAGE AND BRANDING LAW**

Wisconsin’s salvage title law is referred to as the “Title Branding Law.” The law requires the Department of Transportation to permanently brand titles with historical information. This section explains your responsibilities when dealing with salvage vehicles.

**DEFINITIONS**

“**Buyer Identification (BID) Card**” means a license card issued by WisDOT authorizing the cardholder to bid on and purchase motor vehicles being held and offered for sale by a motor vehicle salvage pool.

“**Brand**” means a permanently-printed phrase that describes a vehicle’s history on all subsequent titles.

“**Vehicle fair market value**” means the value of a vehicle immediately before damage occurs, when that value has been determined by reliable sources generally accepted within the automotive and insurance industries. Vehicle fair market value may be determined from guidebooks, dealer quotations, computerized valuation services and other methods which may be prescribed by the department.

“**Flood-damaged vehicle**” means any motor vehicle that can be registered or titled and is damaged by flood to the extent that the estimated or actual cost, whichever is greater, of repairing the vehicle exceeds 70% of its fair market value. If the flood damage occurs in Wisconsin the vehicle became a salvage rebate.

“**Claim paid brand**” means a brand placed on the title of a vehicle that is all of the following:

- Less than 7 model years old.
- Damaged by collision or other occurrence to the extent that the estimated or actual cost, whichever is greater, of repairing the vehicle exceeds 30%, but less than 70% of its fair market value.
- Transferred to an insurer upon payment of an insurance claim.

“**Junk vehicle**” means any of the following:

- A vehicle that is incapable of operation or use upon a highway and has no resale value except as a source of parts or scrap.
- A vehicle an insurance company has taken possession of, or title to, and the estimated cost of repairing the vehicle exceeds its fair market value.

“**Junked**” means a vehicle that has been dismantled for parts or scrapped. When a vehicle has been junked you may not obtain a Wisconsin title for it again.

“**Major parts of a vehicle**” means the following vehicle parts:

- Engine.
- Transmission.
- Each door to the passenger compartment.
- Hood.
- Grille.
• Each bumper, or each clip, if a bumper is part of the clip.
• Each front fender.
• Deck lid, tailgate, or hatchback.
• Each rear quarter panel.
• Trunk floor pan.
• Frame or, in the case of a unitized body, the supporting structure which serves as the frame.
• Any part not listed above which has a value exceeding $500.

“Salvage vehicle” means a vehicle that is all of the following:

• Less than seven years old. (Use the following formula to determine if a vehicle is less than seven years old: Current calendar year minus six equals the first model year that is less than seven years old. For example: calendar year 2006 - 6 = 2000 (the first model year less than 7 years old.)
• Eligible to be registered or titled in Wisconsin.
• Damaged by collision or other occurrence to the extent that the estimated or actual cost, whichever is greater, of repairing the vehicle exceeds 70% of its fair market value.

“Salvage certificate of title” means the ownership document, which shows that a vehicle is “salvage.” The “salvage” notation is removed from the title when the vehicle passes inspection by a certified salvage inspector, and a new title is issued. The subsequent title will show the “rebuilt salvage” brand.

“Rebuilt salvage - Wisconsin inspection passed brand” means a notation placed on a title when a vehicle has passed the required inspection.

“Salvage Pool” means a wholesale vehicle auction that meets the following requirements:

• Holds and offers for sale damaged motor vehicles at wholesale on a bid basis.
• Is licensed as a wholesale dealer by the Department of Transportation.
• Only allows vehicle bidding and purchasing by people who hold a valid Buyer Identification (BID) Card.

ACQUIRING A SALVAGE VEHICLE

You must have a valid Buyer Identification (BID) Card to bid on or buy salvage vehicles at a salvage pool auction.

Salvage pool auctions are required to provide title on the day of sale, unless a vehicle is sold “title-absent.” Title-absent means the buyer and seller have agreed to complete the sale even though the title will be delayed. Wisconsin regulations allow the purchasing dealer to rescind a purchase if the auction is unable to provide clear title within 14 calendar days after the date of sale. We recommend that you wait to repair the salvage vehicle until you have received the title. Otherwise, if the sale is rescinded, the cost of those repairs may need to be disputed in court.

If you purchase a salvage vehicle, you are required to promptly apply for a Wisconsin salvage title if either of the following is true:

• The reassignment areas on the title are full.
• The vehicle is a salvage vehicle that does not yet have a salvage title.
SELLING A SALVAGE VEHICLE

When you sell an unrepaired vehicle that is titled as salvage, you are not required to complete and display a Wisconsin Buyers Guide. However, you must include the following consumer warning on the motor vehicle purchase contract:

“WARNING! This is a salvage vehicle and cannot be registered for use on Wisconsin highways until it passes an authorized inspection which requires payment of a fee. Title will be issued with a rebuilt salvage brand.”

When offering for sale a repaired salvage vehicle that has not yet been inspected, do the following:

- Complete a Wisconsin Buyers Guide. (Wholesale Buyers Guide if selling to another dealer.)
- Give the buyer all items needed for a salvage inspection (see the list in the next subsection below).
- Write the following warning on the purchase contract:

  “WARNING! This is a salvage vehicle and cannot be registered for use on Wisconsin highways until it passes an authorized inspection which requires payment of a fee. Title will be issued with a rebuilt salvage brand.”

REBUILT SALVAGE VEHICLE INSPECTION REQUIREMENTS

All rebuilt salvage vehicles must be inspected before registration can be issued for the vehicle. Schedule an appointment for the inspection with a WisDOT-certified salvage inspector.

**Note:** The rebuilt salvage vehicle may be operated to the point of inspection, but may not otherwise be operated on the highway until it passes inspection and is registered.

At the time of salvage inspection provide the inspector with all of the following items:

- MV11 Application for Title and Registration
- Salvage Certificate of Title
- Major Parts Statement - MV2673 (whether or not any major parts were replaced).
- Bills of sale for all major parts used in rebuilding.
- Four pictures of the damaged vehicle, showing, front, rear, left side and right side views.
- Stamped envelope to mail the application to DMV.
- Check or money order for all fees made out to “Registration Fee Trust.”

When the vehicle passes inspection, the inspector will submit the application to the department. The new title will be branded “This vehicle is rebuilt salvage - WI inspection passed.”

The vehicle will fail the inspection if any of the following are true:

- The vehicle does not meet equipment requirements under Trans 305, WI Administrative Code; Wis. State Stat. § 347; or fails to meet federal motor vehicle safety standards.
- The vehicle or any part is stolen, or if the ownership of any major part of the vehicle cannot be verified.
- The vehicle contains any major parts which were not part of the vehicle described on the title, and you cannot provide a bill of sale for the parts.
- The vehicle contains a vehicle identification number that has been altered, removed or obliterated.
When a vehicle fails inspection, any of the following may happen:

- The inspector may grant a free re-inspection within 15 days of the original inspection.

**JUNKED VEHICLES**

- Titles marked “junk” must be submitted to the department within 30 days.
- Junked vehicles can never be re-titled or registered. They may only be used for parts or scrap.

"PREVIOUSLY TITLED IN"

Enter any and all jurisdictions in which the vehicle has been titled, including Wisconsin. For example, the Wisconsin title shows the vehicle was previously titled in another state. List Wisconsin and the other state.

**ODOMETER READING**

Enter the odometer reading taken when your dealership acquired the vehicle. This reading will be on the title. Indicate if the mileage is "actual," "in excess of mechanical limits" or "not actual." The odometer is "in excess of mechanical limits" when the reading is higher than the odometer is designed to measure. Checking "in excess of mechanical limits" when the odometer has six digits would mean there were over one million miles on the car.

When the vehicle is 10 or more model years old, the odometer reading should not be recorded, and you should check EXEMPT. However, if you have an exempt vehicle with a low odometer reading that you want to list as a selling point, you may show an odometer reading only if you provide the purchaser with a supporting odometer statement. (The buyer's title will not reflect a reading for a vehicle over ten years old.)

The formula below shows how to determine whether a vehicle is exempt from odometer disclosure due to its age.

**REPAIRING AND REPLACING ODOMETERS**

*Repair with Calibration*—You may service, repair, or replace an odometer if it malfunctions. Whenever possible, the mileage indicated on the odometer should be calibrated to the same reading as before the repair or replacement. When the vehicle is subsequently sold, the odometer disclosure and the title issued will show “actual” miles.

A replacement odometer may, if the repair is made within 30 days, be calibrated to the actual mileage and be certified as “actual” when the trip odometer fails, the primary odometer continues to work accurately, and the entire speedometer head has been replaced. The replacement odometer may be either new or used, calibrated to the actual mileage. **Note - If the odometer is not repaired or replaced see repair without calibration.**

*Repair without Calibration*—If the original odometer is incapable of registering the same mileage or if the replacement odometer cannot be calibrated, do the following:

- Set the odometer to zero, and,
• Attach a written notice to the left door frame of the vehicle specifying the mileage prior to repair or replacement of the odometer, and, the date it was repaired or replaced.

An odometer change notice sticker must be applied regardless of the vehicle’s age when an odometer is repaired and set to zero. It is always in the dealership’s best interest to document on the repair invoice that the odometer change notice sticker was affixed to the vehicle. Typically, the sticker will be packaged with the newly purchased odometer. However, if it isn’t, or a used “zeroed” odometer is used for the replacement, the sticker can be obtained from the Wisconsin Automobile and Truck Dealers Association.

When the vehicle is sold, the odometer disclosure on the title issued will show “not actual” miles. The odometer reading shown on the odometer disclosure statement and title will be the reading from the replaced odometer. The cumulative mileage of the vehicle is not shown.

It is illegal to remove or alter the notice affixed to a vehicle. Failing to zero the odometer or failing to affix a notice about the zeroed setting is also in violation of the odometer law.

MILEAGE DISCLOSURE WITH A MALFUNCTIONING ODOMETER

If a vehicle is driven after the odometer malfunctions the seller may disclose that the odometer reading reflects the “actual” mileage only if all the following guidelines are met:

The odometer repair or replacement is made within 30 days of the date the malfunction occurred.

A reasonably accurate determination can be made of the miles traveled between the time of the malfunction and the time of the repair or replacement.

The repaired or replacement odometer was calibrated to show the mileage reading that was on the odometer at the time it malfunctioned, plus the number of miles the vehicle was driven between the time of the odometer’s malfunction and the time of its repair or replacement.

If the odometer is not calibrated as described above, the odometer reading must be disclosed by the seller as “not actual” mileage.

If the dealership repairs or replaces an odometer for a vehicle it does not own, WisDOT strongly recommends the dealer obtain a written statement from the vehicle owner including the following:

Mileage at the time of the malfunction

Certification that the odometer repair occurred within 30 days of the odometer malfunction

Miles traveled between the time of the malfunction and repair.

UNREADABLE ODOMETERS

If you cannot read the odometer (due to an accident, fire, etc.) indicate “0” on a conforming odometer statement and certify that the odometer reading is “not actual.”
KILOMETERS

Vehicles that measure distance in kilometers have different disclosure requirements than those that register in miles. Use the following guidelines to assure compliance with odometer laws when dealing with vehicles measuring distance in kilometers:

If you have a blank incoming odometer disclosure statement for a vehicle that measures kilometers, or you have a statement that is in kilometers, do the following:

- Disclose the mileage as "not actual."
- Disclose the odometer as "not legal" on the Wisconsin Buyers Guide under "Vehicle Equipment Requirements," since the odometer does not register miles.
- Place warning in “other conditions of sales” on the purchase contract.
  - “Warning! This vehicle cannot be legally operated on Wisconsin highways and may not be safe.”
- If you replace an odometer that registers kilometers with one that registers miles:
  - Disclose the miles as “actual,” if the replacement odometer was calibrated to reflect the equivalent miles. Use the following formula to determine miles:
  - Kilometers x .62 = miles
  - Disclose the mileage as “not actual,” if the odometer is not calibrated to reflect the equivalent miles.

MODEL YEAR CALCULATION

(Current calendar year) - 10 = model year and older vehicles are exempt.
2017 - 10 = 2007 - vehicles and older are exempt.

WARRANTY

Indicate whether the vehicle is being offered with a warranty or on an “As Is – No Warranty” basis. Complete both the Dealer Warranty and the Manufacturer Warranty sections. At the time of delivery, provide your customer with a written document specifying the parts and systems covered by any warranty.

When a Dealer Warranty is offered, identify:

- The duration of the warranty
- The percentage of any repair costs to be paid by the customer.
- Any deductible to be paid by the customer.

Show whether the warranty is:

- Expired
- Not known
- Canceled due to salvage or other vehicle history.
- Remaining vehicle manufacturer warranty.

When Vehicle service contracts are offered for sale, provide details on a separate document. At delivery, provide your customer with a written document specifying the parts and systems covered.
USED VEHICLE GENERAL CONDITION
This section of the Wisconsin Buyers Guide should be completed by someone who has mechanical knowledge and experience to determine the condition of the vehicle using "reasonable care." Check each item separately. Explain all items marked "yes" in the designated area. If the vehicle is not equipped with “other equipment”, check the "not equipped" box.

VEHICLE EQUIPMENT REQUIREMENTS
Wis. Admin Trans. Code 305, Wisconsin Administration Code, defines the legal operating condition for vehicles on Wisconsin highways. Any item in this section that does not meet those requirements must be checked "not legal" and explained in the designated area.

When a vehicle is sold with any item marked "not legal," write the following warning on the purchase contract:

"WARNING! This vehicle cannot be legally operated on Wisconsin highways and may not be safe.

CERTIFICATION
Complete all three inspector sections. Print the names of the individual inspecting the vehicle and the individual inspecting the records. Have the dealer or a licensed representative sign the label. The same person could complete all three sections. Then enter the date of the inspection. The buyer signs and dates the original label prior to delivery of the vehicle. Keep the original copy for five years and give the buyer the window copy.
Dealers are required to obtain an incoming odometer statement and provide an outgoing odometer statement that conforms with federal and Wisconsin law. The statement must be made on the title. In the case of a retail sale, the outgoing statement may be given on the MV11. **The owner of the vehicle named on the title or MSO must complete the transfer of ownership and the odometer disclosure as seller.** The dealer must complete the reassignment of ownership and odometer disclosure when selling the vehicle. The disclosure must contain the following information:

- Date of transfer or reassignment.
- Seller’s name and current address.
- Buyer’s name and address.
- Odometer reading at the time of transfer (not including tenths of miles)
- Certification that the mileage is one of the following:
  - **Actual**
  - **In excess of mechanical limits** Use when the odometer reading is higher than the capability of the odometer. Checking “in excess of mechanical limits” when the odometer has 6 digits would mean there are more than one million miles on the car.
  - **Not actual mileage** When using this notation, you must also include a warning notice to alert the buyer that a discrepancy exists between the odometer reading and the actual mileage.

The buyer and seller must print and sign their names on the odometer statement. No person may sign the odometer statement as both buyer and seller in the same transaction.

**VEHICLES EXEMPT FROM ODOMETER DISCLOSURE**

The following vehicles are exempt from odometer disclosure:

- Vehicles 10 years old or older.
  
  \[(Current \text{ calendar year}) - 10 = \text{model year and older vehicles are exempt.}\]
  
  For example: 2017 – 10 = 2007 vehicles and older are exempt.

- Vehicles registered over 16,000 pounds.
- Non-motorized vehicles.
- Mopeds.
- Vehicles sold from the manufacturer to the U.S. Government.
- New vehicles transferred from manufacturer to dealer.
- New vehicles acquired by a dealer from an out-of-state dealer licensed in a state that does not require odometer mileage disclosure.

When a vehicle is exempt from odometer disclosure, the dealer may leave the statement blank or write in the word “exempt.”

**POWER OF ATTORNEY FORM (MV2690)**

The power of attorney form may only be used for odometer disclosure when the title is physically held by a secured party (lien holder). Keep a copy of this form in your file.
**LEASES AND ODOMETER DISCLOSURE**

When the dealer is the vehicle lessor or acting as an agent for the lessor, the dealer must do the following:

- Notify the lessee in writing that they are required to provide the lessor or its agent with a written odometer disclosure at the end of the lease.

- Obtain a completed odometer disclosure from the lessee at the end of the lease, and enter the date it is received on the form. If the lessee buys the vehicle at lease end, the dealership may rely on the lessee’s odometer disclosure. This disclosure must contain the following information:
  
  o Printed name of the person making the disclosure.
  o Current odometer reading.
  o Date of the statement.
  o Lessee’s name and current address.
  o Lessor’s name and current address.
  o The identity of the vehicle.
  o Date the lessor notified the lessee of the odometer disclosure requirements.
  o Date the completed odometer statement was received by the lessor.

- Keep copies of all odometer-related records for five years.
DEALER PLATES

Licensed dealers are issued a minimum of two dealer registration plates for use on vehicles the dealership owns and offers for sale. To avoid being ticketed for improper dealer plate use, licensed dealers should follow these requirements:

- Use the plate only on vehicles owned and actually offered for Sale by the dealership or service loaner vehicles. The plate may be used on these vehicles whether they're driven for business or personal purposes.
- You may use dealer plates on a consignment vehicle, even though the dealership does not own the vehicle.
- Display a Wisconsin Buyers Guide or Monroney label on any vehicle displaying a dealer plate, as proof that the vehicle is owned and offered for sale by the dealership. (A label need not be displayed while driving a vehicle to or from a wholesale transaction.)
- Make sure vehicles used by employees are available for display at the dealership during business hours.
- Do not use dealer plates on rental vehicles, service vehicles or tow trucks.
- You may use dealer plates on service loaner vehicles if they are inspected and the Wisconsin Buyer’s Guide is displayed.
- If you allow your spouse or children residing in your household to use dealer plates, do be certain the vehicle is actually offered for sale, displays a Wisconsin Buyers Guide or Monroney label. While this type of use is technically permitted, it has caused adverse public reaction.

ORDERING ADDITIONAL DEALER REGISTRATION PLATES

The fee for additional dealer plates is $10 per plate.

To order additional plates, send a written request to the WisDOT Dealer Section at the address below. Your request should include the:

- Dealership legal business name, address, and telephone number
- Dealer license identification number
- Quantity and type of additional plates requested
- Total fees payable to Registration Fee Trust
- Allow 4-6 weeks for your plates to arrive.

REPORTING LOST OR STOLEN DEALER REGISTRATION PLATES

Contact the WisDOT Dealer and Agent Section by mail, fax or e-mail to report a lost or stolen plate. If you find a plate after you've reported it missing, destroy it. It will already have been reported missing to law enforcement officials statewide, and you could be ticketed for using it.
REPLACING A MISSING DEALER PLATE

If you wish to replace a lost or stolen plate send the WisDOT Dealer and Agent Section a written request at the mailing address on the front of this guide. Include the following information in your request:

- Dealership legal business name, address, and telephone number
- Dealer license number
- Plate numbers of lost or stolen plates being replaced
- Quantity of replacement plates requested
- Fee of $4.00 per replacement plate, payable to Registration Fee Trust
- Allow 4-6 weeks for your replacement plates to arrive.
The "Motor Vehicle Purchase Contract" (MVPC) is the document you use to state clearly all the provisions and conditions of the sale. You may only use a version of the MVPC approved by the Department of Transportation, see the “Business Forms” page. It is an offer to purchase that becomes binding when the dealership and the buyer sign the document. The MVPC must be completed in all of the following situations:

- Any retail vehicle sale.
- Anytime the dealership accepts a down payment or deposit.
- Anytime the dealership accepts a title for a trade-in vehicle from a prospective retail buyer.

The dealership has two working hours to accept an offer from the time a customer signs an offer to purchase. The buyer may withdraw the offer at any time until you sign it. You may not sell the vehicle to anyone else until the offer is accepted or rejected.

If the contract becomes void, you must return any down payment, title, and deposit or trade-in vehicle within two hours. If the buyer is not available during this period, return the items to them in person or by mail no later than the following business day.

Leave a copy of the MVPC with the customer anytime you leave their presence. When you must remove the MVPC to get manager approval on the offer, leave the goldenrod copy with the customer. The customer can compare their original offer with your counter offer. When you have agreed on the final terms, write all changes on both copies, and have the customer and the manager initial both copies.

**Be careful not to sell the same vehicle to two people at the same time.**

A properly executed contract protects both the purchaser and the dealer. Wis. Admin. Trans. Code 139.05, specifies a number of items that must appear on a purchase contract. By using a current revision of this contract and executing it properly, you will be in compliance with all applicable state and federal laws and regulations.

*Note: Only the actual MVPC is an acceptable offer to purchase. Other documents, such as worksheets, are not sufficient or binding. Once you and the customer have accepted the contract staffing a firm retail price, you are prohibited from raising the price except in very limited situations. (See "price protection" in this section.)*
COMPLETING THE MOTOR VEHICLE PURCHASE CONTRACT

ENTER THE FOLLOWING INFORMATION:

- Your legal business dealer name and address as it appears on your dealer license certificate.
- "Vehicle stock number or order number." (optional)
- "Mileage at signing" is the estimated mileage at time of delivery. When you write a contract to locate a vehicle you and the buyer must agree on a maximum number of miles allowed on the vehicle at time of deliver. "Order date" is the date you write the contract.
- Sales persons full name and first eight numbers of their license number.
- Purchaser's full name, address, phone number(s), county and township.
- Indicate whether the vehicle is "NEW" or "USED":
  - "New" means any untitled or non-privately titled vehicle of the stated model year which has not been a demonstrator and has not been operated more than 200 miles for purposes other than manufacturer’s tests, pre-delivery tests by a dealer, dealer exchange or delivery.
  - "Used" means any vehicle other than a new vehicle and includes executive or demonstrator.
    - If "used," be sure to indicate if the vehicle is a demo or executive-driven vehicle.
      - "Demonstrator" means any untitled or non-privately titled motor vehicle, which was used primarily for the purpose of demonstration to the public.
      - "Executive" means any untitled or non-privately titled motor vehicle which was used primarily by executives of licensed manufacturers, distributors or dealers and not used for demonstration to the public.
- Check the appropriate box to indicate if the vehicle will be titled as a car, truck or other type of vehicle.
- "License number" is the license plate number, which the purchaser is transferring from their old vehicle to their new vehicle.
- Enter purchased vehicle information including complete identification number.
- Enter the Chassis year and the finished vehicle model year, if different, for motor homes and other second stage vehicles.
- Enter owned or leased trade-in vehicle information, including complete identification (Trade-in must be in the name of the buyer.)

WARRANTY INFORMATION (CHECK ALL BOXES THAT APPLY):

Clearly identify any warranty or service contract included with the vehicle on the purchase contract. Any warranty or service contract must be available for inspection by a customer. Give the warranty or service contract document (specifying parts and systems covered) to the customer at the time of delivery.

MANUFACTURER WARRANTY

Check the appropriate box. When you indicate there is a “remaining vehicle manufacturer warranty," provide all of the following information:

- Expiration (date and miles).
- Any deductible to be paid by the purchaser.
- Transfer fee to be paid by the purchaser and whether or not the transfer fee is paid to the dealer or manufacturer.
**Note:** When you tell a purchaser that a vehicle has a remaining manufacturer warranty, and the manufacturer fails to accept responsibility for the warranty, your dealership will be required to honor the warranty.

**DEALER WARRANTY**

"As Is-No Warranty" means you are selling the vehicle without a warranty. The vehicle is not "as is" if you are offering any kind of dealer warranty. It is acceptable to mark both the "as is" box and one of the new vehicle manufacturer warranty or service contract boxes.

When you provide a "limited warranty" you must indicate:

- The term of the warranty in months and miles.
- Any percentage of repair costs to be paid by the customer.
- Any deductible to be paid by the customer

**SERVICE CONTRACT INFORMATION**

When a "service contract" is sold, indicate who it is administered by and provide:

- The terms of the service contract in months and miles.
- Any percentage of repair costs to be paid by the customer.
- Any deductible to be paid by the customer.

**OTHER CONDITIONS OF SALE**

In the "other conditions of sale" section of the MVPC, list any special conditions of the agreement and clarify any unusual circumstances of the sale, before the customer signs the contract. Examples include removal of any equipment such as trailer hitches or fog lights from the trade in or purchased vehicle. Air bag deactivation requests require a specific form, and should not be listed under "other conditions of sale."

This area of the contract should also be used to state special warning notices required under certain circumstances. Examples of such warnings include the following:

- "Warning! this vehicle cannot be legally operated on Wisconsin highways and may not be safe."
- "Warning! this is a salvage vehicle and cannot be registered for use on Wisconsin highways until it passes an authorized inspection which requires payment of fee. Title will be issued with a rebuilt salvage brand."
- "Warning! sold as junk vehicle. This vehicle may never be retitled."
  - **Note – Only licensed salvage dealers can sell “Junk” vehicles or parts.**

**ANTICIPATED DELIVERY DATE**

The anticipated delivery date is the dealer's best estimate of when the vehicle will be delivered to the customer. A date must be written on the contract, showing month, day, and year. If the dealer neglects to show an anticipated delivery date, the contract date becomes the anticipated delivery date by default. If the dealer fails to deliver within 15 calendar days of the anticipated delivery date written on the contract, the customer may cancel the contract.
When the customer cancels the contract, the dealer must refund the full down payment and return the trade-in vehicle, or title for the trade-in vehicle or both within one business day. If the trade-in is not available, the customer receives the full trade-in allowance.

When you receive the vehicle before the anticipated delivery date, you may require the customer to take delivery not less than 21 calendar days after notifying them of the vehicle’s availability. Notice to the customer must be by registered or certified mail, return receipt required. If the customer does not accept delivery within 21 calendar days after notice, you are free to sell the vehicle to someone else. However, you may not assess a penalty to the customer for not accepting delivery prior to the anticipated delivery date.

Writing orders for vehicles that you cannot reasonably deliver by the anticipated delivery date is prohibited.

When you make a good faith effort to obtain the vehicle from the manufacturer, and the manufacturer does not deliver the vehicle, you may cancel the contract. Immediately refund any down payment or fees paid and return any trade-in. If the trade-in is not available, the customer receives the full trade-in allowance.

**THE ORDERED VEHICLE MUST BE LOCATED**

Use this box to enter the maximum amount of mileage on a locate vehicle at the time of delivery. If the mileage is more at time of delivery the customer may cancel the contract.

**FINANCE OR CASH TRANSACTION**

A contract can be written as a finance or cash transaction. Indicate the type of transaction by checking the appropriate box. Anytime the purchase is subject to credit approval, it is a finance transaction.

*This is a finance transaction* means you are arranging the financing for the customer.

- Check box A, B, or C.

  A. *In attached disclosure* means you have completed a retail installment contract or disclosure form disclosing credit terms to the customer. The customer accepts the terms by initialing the retail installment contract or disclosure form. Attach the retail installment contract or disclosure form to the purchase contract. Once both you and the customer sign the purchase contract, you are committed to the credit terms at the time of delivery.

  *Acceptable to you* means the customer can review the credit terms at the time of delivery, and accept or reject the whole vehicle transaction without penalty.

  B. *This transaction is subject to financing being arranged through creditor of your choice* means the customer is arranging their own financing and you are aware that such financing is to be obtained.

  Enter the date by which the customer must obtain acceptable financing. You must receive written notice by that date, or the contract is void and you may put the vehicle back up for sale.

  **Note:** You must guarantee that a lien is perfected, and you may be responsible for any damages incurred by the department or a secured party for failing to perfect a security interest. To insure that a security interest is perfected for an out of state resident, you may apply for a Wisconsin “title only” in the name of your buyer showing the lien holder.
C. "This is a cash transaction", means the purchase is not subject to credit approval and the balance is due on delivery.

**INSTALLMENT SALES**

If you intend to arrange or provide financing for retail sales, you must be licensed with the Department of Financial Institutions (DFI).

Complete a "Retail Installment Contract" when you sell a vehicle and the payments are spread out over a period of time.

The Retail Installment Contract must include:

- Complete description of the vehicle.
- Cash sales price
- Cash down payment.
- Trade-in allowance and a description of the trade-in.
- Cost of any insurance
- Amount financed.
- Sales and use taxes.
- Amount of finance charges.
- Any other specific charges.
- Total number of payments due.
- Terms of the payment.
- Amount and date of each payment.
- Summary of any insurance coverage

The dealer must give an exact copy of the Retail Installment Sales Contract to the buyer at the time the buyer signs the contract.

**Note:** You may not perfect a security interest in your name unless you have a finance license with DFI and have written a retail installment contract.

**“CREATIVE FINANCING”**

It is not acceptable to inflate the selling price of a vehicle in order to increase the trade-in allowance and make it appear that the customer has more equity in the vehicle. This type of "creative financing" can land a dealership in serious trouble. Concerns about this practice include the following:

- Including an over allowance for the trade-in can backfire. If the deal falls through, a dealer would be required to refund the inflated allowance if the trade-in vehicle could not be returned to the customer.
- Inflating the purchase price involves making false statements on the purchase contract, the application for title, and the retail installment contract (if you are arranging the financing).
- Some banks have sued dealers when customers defaulted on their car loans and the banks discovered the resale value of the vehicle wasn't enough to cover the amount owed.
- Defrauding the bank that accepts the loan may be grounds for revoking, suspending or denying a dealer license.
Advertising may be false and misleading if the dealership is not selling cars at their advertised prices, or if it is selling cars above the used vehicle disclosure label asking price without extra value being added to the car (new tires or stereo, for example).

Of course, it also isn’t acceptable to draw up two purchase contracts or two applications for title, one for the customer and DMV showing actual values, and one for financing showing inflated values.

“ORDER OUT” VEHICLE NOT PRICE PROTECTED (SEE BACK OF CONTRACT)

Use this area only if the price of an order out vehicle is not protected. This section must be completed in order to adjust the price.

Under certain conditions, the law allows the dealer to adjust the contracted purchase price of an order out new vehicle due to changes in the manufacturer's price. Manufacturers do not have consistent practices on price protection. It is important that dealers be aware of each manufacturer’s pricing policies.

A dealer may also legally increase the purchase price of an order-out vehicle for the following reasons:

- The dealer added equipment required by state or federal law.
- The U.S. government revalued the U.S. dollar. (Applies for foreign vehicles only).
- State or federal taxes on vehicles increased.

Raising the price of a vehicle after the customer signs the purchase contract and the dealer accepts it, for reasons other than those allowed, is known as “bushing,” and is illegal.

Be sure to transfer these amounts to all plies of the contract.

**Box A. Current model year price known.** Check this box when the order out vehicle is not price protected and the current model year price is known. Box A applies to order outs of the next model year, before prices have been announced. It also applies to order outs during the model year where the manufacturer does not provide price protection.

- Complete the Transaction Computation section as you would for an order-out vehicle.
- Check the box next to "Order-out Vehicle Not Price Protected," and Box A on the back of the contract.

Agree with the customer if there is to be an adjustment to any increase in the MSRP and fill it in as a
percentage amount. You may put zeros in the blanks. Negotiate with the customer the maximum "final cash price" that the customer will accept and fill it in the blank below Box B.

When the prices on the original order are no longer valid, a new contract should be executed with the following phrase written in the Other Conditions of Sale section of the contract - "This order supersedes order written (date)." Have the customer initial this statement.

If the customer is unwilling to pay the final cash price, and you won't sell the car at the agreed maximum final cash price, the customer may cancel the order without penalty.

**Note:** You are required to fill in the trade-in allowance. The trade-in allowance will remain the same on the subsequent order except for reappraisals for damage, removed parts or excess mileage.

**Box B. Price of newly introduced model currently unknown.** Use when writing orders for new models before the prices are announced.

- Do not fill in a price on the line, "Dealer retail Price" on the front of the contract. List the manufacturer's options to be installed, but do not list prices.
- List and price dealer-installed options.
- Enter the negotiated percentage discount or mark-up that will be added to the total of the MSRP and the dealer-installed options. Agree on the maximum "final cash price" the customer will pay and complete the blank below box B.

When using Box B, you will not be able to fill in dollar amounts for "Dealer Markup added" or a discount.

As long as the final cash price does not exceed the maximum cash price the buyer and salesperson agreed upon, it is not necessary, when using box B, to write a new order to supersede the previous one. Just continue to fill in the blanks on the original order.

**PRICE COMPUTATIONS**

**USED:** Transfer the "price" on the Wisconsin Buyers Guide to this area on the purchase contract.

**NEW:** Check the appropriate "MSRP" box if applicable.

- Fill in the MSRP. Add the options price to the Base MSRP and enter the "Total MSRP" in Price of Vehicle - a.
- Enter any dealer markup if applicable.

**Dealer installed options**

- Itemize options
- List prices
- Indicate (with a check mark to the left of the option) if it carries a manufacturer's warranty.

**FEE COMPUTATION**

- **Dealer Retail Price** - Enter the total price of the vehicle including the base price, optional equipment and accessories installed prior to delivery, and any dealer mark-up added.
- **Service Fee** – Enter services fee. Service fee must first be displayed on the Wisconsin Buyers Guide or supplemental label posted on the vehicle.
• **Discount** - Enter the dollar amount that reduces the cost of the vehicle to the customer. Any trade-in over-allowance should be entered here.

• **Cash Price** - Dealer retail price plus service fee minus discount.

• **Taxable items purchased with the vehicle.** Enter any taxable items such as service contracts.

• **Owned trade-in allowance** - Enter the actual trade-in allowance. Any over-allowance should be entered as a discount. Showing over-allowance as a discount will prevent you from having to refund an inflated trade-in allowance if the deal is rescinded or if the contract is voided for any other reason.

• **Leased trade in allowance** is determined by subtracting the payoff and any amount refunded to the customer from the gross allowance.

• **Trade Allowance** – Enter the trade allowance given.

• **Sales Tax Calculation** – Enter the amount subject to tax, percent of state tax, county and regional tax.

• **Non-Taxable items purchased with the vehicle** – fees entered in this section include fees to appear on MV11, any applicable wheel taxes, vehicle warranty or service contract transfer fees (only if paid by the customer) and any other non-sales taxable charges.

• **Owned vehicle payoff** – Enter the name of the lender and verify the amount due on the trade-in. Enter that figure.

• **Subtotal** - Add the above taxes and fees to the subtotal and enter the amount here.

• **Less cash Down Payment on Order** - Enter the amount paid by the customer as a down payment.

• **MFR’s Rebate** - Enter the amount of rebate here and check whether it is "cash back" or "assigned" to the dealer. Be sure to list any special conditions of the manufacturer rebates under "other conditions of sale." Should the dealership forget to indicate any special condition of a rebate, the dealership will be liable to honor the rebate amount.

**CASH AND CASH EQUIVALENTS**

• **Cash down payment on order** – Enter the amount paid by the customer as a down payment.

• **Manufacturer Rebates** – Enter the amount of rebate here and check whether it is “cash back” or “assigned” to the dealer. Be sure to list any special conditions of the manufacturer rebates under “other conditions of sale”. Should the dealership forget to indicate any special condition of a rebate, the dealership will be liable to honor the rebate amount.

• **Additional Cash Due** – If any additional cash down payment is due, enter it here along with the due date.

• **Enter the total cash and rebates.**

• **Due on Delivery or Balance to Finance** - Enter the final balance to be paid on the vehicle at the time of delivery. If the vehicle is going to be financed, this is the "amount to be financed" transferred to the retail installment contract.

**TRADE-IN ODOMETER LIMITATIONS**

You have the right to reappraise the trade-in vehicle when the mileage exceeds the amount entered in this section of the purchase contract.

**BUYER’S REPRESENTATIONS**

Have the buyer complete this section explaining any "no" answers. The accuracy of these representations will determine whether you have the right to void a transaction prior to delivery. Provided the representations are accurate, once you have signed the contract, you cannot void it.
“FAILURE TO TAKE DELIVERY” PENALTY SECTION

You may charge your customer a penalty of up to 5% of the purchase price if they fail to take delivery of the vehicle after signing the contract. In order to collect the penalty, you must have written the percentage amount in the penalty section of the contract. If your damages exceed 5% of the purchase price, you may waive the right to charge the penalty, and pursue legal action for actual damages.

Note: Recreational vehicle purchase contracts contain different penalties for cancellation:

- If cancellation is initiated within 24 hours after the dealer accepts the offer to purchase, the amount forfeited is 2% of the total cash price of the recreational vehicle.
- If cancellation is initiated more than 24 hours after the dealer accepts the offer to purchase, the amount forfeited is 5% of the total cash price of the recreational vehicle.

Documented proof of notification of cancellation is required regardless of the method of notification.

SIGNATURES

Allow the buyer enough time to read the contract before signing. A licensed representative of your dealership and the buyer must sign the contract to make it a binding agreement. Be sure to complete the date and time signed by both parties.

PURCHASE CONTRACT ERRORS

Errors on the motor vehicle purchase contract can be costly mistakes for dealers. You should take extra care to ensure that all contracts correctly state the intended purchase price before they are accepted. In most cases, the dealership is required to honor the contract price, even if it means they suffer a substantial loss on the deal. It is wise for the salespersons to have someone (usually a supervisor) double check a purchase contract before the dealership and the customer signs it.

A dealership that discovers an error after the contract is signed may be tempted to change the terms of the contract. Do not try to suggest to the purchaser that the dealership cannot deliver the vehicle. Attempting to charge more than the price stated on the signed contract is known as bushing and is illegal. Failure to fulfill the contract terms and bushing are serious violations, and are grounds for suspension or revocation of a dealer license.

Willful failure to perform any written agreement with any retail buyer is grounds for suspension or revocation of a dealer license, and could result in civil action by the customer. A dealer must deliver the vehicle at the price agreed to in the contract. However, if an error on a contract is a mutual mistake on the part of the salesperson and customer, the contract may be changed if both parties agree. Be sure you and your customer write your initials beside any changes on all copies of the contract.

TITLE INFORMATION

When the title to the trade-in or the purchased vehicle contains previously unknown information that materially affects the value of the vehicle, the dealer or the customer may cancel the contract. For example, if
the title is received and it is discovered that the mileage is "not actual" or that the vehicle was previously salvaged, the deal may be void.

Written notice of cancellation must be mailed or personally delivered to the other party within two business days of the date the title was made available. Trade-in titles should be examined promptly upon receipt. Too often, information is not discovered until the trade-in is being sold and the right to cancel the deal is lost.

SALES TAX REFUNDS

In some cases, sales tax refunds raise confusing questions. Although some situations may cause special problems, most cases can be handled fairly easy. You are responsible for refunding sales taxes to your customers. DOR will not make direct refunds to dealership customers.

The following are some examples of situations in which a vehicle purchase is undone, and sales tax is likely to be refunded:

Dealer takes back vehicle and gives a refund - The tax refund is calculated on the buyback price, which may be less than the original purchase price. (This price reduction usually happens when a dealer is allowed to deduct for mileage or damage to the vehicle.) If the buyback price is equal to the original purchase price, refund all taxes paid.

Dealer takes back vehicle and replaces with a lesser vehicle - Complete a new contract for the replacement vehicle showing the buyback vehicle as a trade-in. Calculate the refund on price difference between the two vehicles.

Manufacturer buys back vehicle under the Lemon Law - It is the manufacturer's responsibility to refund the amount of sales tax paid by the consumer when the vehicle was originally purchased.
ELECTRONIC PROCESSING

All licensed motor vehicle dealers are required to process all title/registration applications for their customers. There are two different options for electronic processing. An approved Automated Partnership System Program (APPS) vendor or a free internet service developed by DMV called e-MV11. Listed below is contact information for APPS vendors and eMV11.

CVR Inc
Phone: 248-606-5367 or 800-333-6995

DealerTrack
Phone: 860-383-9687 or 800-876-2312 ext. 4999

T-REG, electronic processing through Wisconsin Auto and Truck Dealer Association
Phone: 800-236-7672

Redi Reg WI
Phone: 414-393-0000

e-MV11

Dealers using an APPS vendor can offer metal plates to their customers immediately upon delivery of the vehicle. A maximum fee of $19.50 may be charged for processing through these vendors.

Dealers using e-MV11 issue a temporary license plate and a printed receipt upon delivery of their vehicle. The title and metal plates are sent directly from DMV. You may include the cost of participating in the e-MV11 program in the service fee currently allowed by law to cover dealer costs for regulatory compliance.

For assistance when processing an application electronically call the APPS unit at 608-266-3566.
MANDATORY DISPLAY AND TEMPORARY PLATES

Automobiles and light trucks (8,000 lbs. and less) are required to display valid registration whenever operating on the roads and highways of Wisconsin. Dealers must provide a temporary license plate before the vehicle purchaser leaves the lot.

Purchasers of other types of vehicles are still permitted to operate in Wisconsin, after submitting an application and fees for registration and before receiving their license plates, as long as they carry their copy of the MV11 or EMV11 receipt.

If a vehicle purchaser has no plate to transfer from another vehicle they own, do one of the following:

- Issue a temporary plate expiring in 90 days for Wisconsin Residents and 30 days for out-of-state residents.
- If you participate in the on-line Automated Partners in Processing System (APPS), CVR or DealerTrack immediately issue metal plates for an optional fee.

ISSUING A TEMPORARY PLATE

- List the temporary plate number in the space provided on the Wisconsin Title & License Plate Application Form MV11 or enter the number in the appropriate space when processing electronically. The customer's copy is their receipt. They should carry it in their vehicle.
- Using a broad-tip black marking pen, validate the plate for 90 days by writing the expiration date and last six digits of the vehicle identification number in the spaces on the lower right-hand corner of the plate.
- Place the transparent tape provided with the plate over the expiration date and VIN to secure them.
- Attach the plate to the rear of the vehicle using the bracket on the vehicle.

TEMPORARY PLATES FOR NON-RESIDENT CUSTOMERS

If a non-resident customer is applying for a Wisconsin title to protect a security interest, complete an MV11 form. Collect the proper fees for the temporary plate, write that amount on the license plate fee line, and collect the title and loan filing fees. Process the application electronically through CVR, DealerTrack or eMV11.

If a non-resident customer is not applying for a Wisconsin title, complete the MV11 form. Collect the proper fees for the temporary plate and write that amount on the license plate fee line. Write "temp plate only" on the line next to the title fee. Send the application along with the proper fee to appropriate DOT address as noted on the MV11.

Validate the plate for 30 days and record the information in your log.

TEMPORARY LICENSE PLATE LOG

Use the Temporary License plate log sheet to record the owner and vehicle information. If you are using eMV11 this log is provided electronically. This information is essential to law enforcement in cases of emergency. When they contact you, it is crucial that you provide the information in a timely manner. You may only provide plate information to law enforcement agencies or DOT.
You may keep the temporary license plate log electronically, provided all the information required is available. Keep your log for five years.

In the event that a plate is lost or stolen before it is issued, record the loss on your log sheet and report the plate number to DMV Plate Issuance Unit at (608) 266-1473.

If your customer loses the temporary plate, record the information on your log sheet and issue a replacement plate using the same expiration date as the original plate. There is no charge for the replacement plate.

When you rescind a sale, record the information on your log sheet and destroy the temporary plate. If the customer buys a different car, issue a new temporary plate.

To order more plates, use the reorder form provided with your plates. Please allow two weeks for delivery.
OFF-PREMISE SALES

Dealers may participate in up to six off-premise sales per year – Wis. Admin. Trans. Code 138.08(3). Off-premise sales are sales held away from the dealership's licensed location. The following rules apply to off-premise sales:

- You must notify the WisDOT Dealer Section in writing at least 10 days before the start of the sale. You may fax this letter to (608)267-0323 or email to DealerLicensingUnit@dot.wi.gov. (Wis. Admin. Trans. Code 138.08(1)).
- A sale may not be longer than 10 days or it counts as more than one sale. (For example, if you want to have a sale that is 15 days long, you would use up two of your six allowed sales for the year.) (Wis. Admin. Trans. Code 138.08(2)).
- You must give purchasers written notice of their three-day right to cancel a purchase or lease. (Wis. State Stat. § 423.203; Wis. Admin. Trans. Code 138.08(4)) For a copy of the required notice, see the WI Department of Financial Institutions website at www.wdfi.org/wca/business_guidance/creditors/federal_notice.htm.
- Off-premise sales are prohibited on Sundays, except for persons who observe the Sabbath on Saturday.

OFF-PREMISE VEHICLE DISPLAYS

Vehicle displays are exempt from off-premise sales restrictions, and are allowed on Sundays. In order for an event to be considered a display not a sale, no salespeople may be present at the display or readily accessible by phone or other device to people who want to ask questions about the vehicles. Greeters, security people, and the owner may be present at the display, but may not respond to consumer questions about the vehicles. Pamphlets, flyers, posters or other advertising may be displayed at the display site. All vehicles should be displayed with their new vehicle window sticker or Wisconsin Buyers Guide for used vehicles.

THREE-DAY RIGHT TO CANCEL

The Wisconsin Consumer Act gives your customer the right to cancel certain consumer transactions within three business days. The three-day right to cancel applies when:

- A finance charge is assessed or a cash transaction exceeds $25; and
- You initiate a vehicle sale or lease by face-to-face contact away from your dealership, or by mail or telephone directed to the customer, and complete the paperwork away from the dealership. Transactions at fairs and trade shows also trigger the three-day right to cancel.

THE THREE-DAY RIGHT TO CANCEL DOES NOT APPLY WHEN:

- You initiate a sale or lease by face-to-face contact away from the dealership or by mail or telephone directed to the customer, but you complete the paperwork at the dealership; or
- The sale is a wholesale transaction.

YOU ARE REQUIRED TO GIVE YOUR CUSTOMER TWO COPIES OF THE FOLLOWING NOTICE:

"You may cancel this agreement by mailing a written notice to (insert name and mailing address of seller) before midnight of the third business day after you signed this agreement. If you wish, you may use this page..."
as that notice by writing "I hereby cancel" and adding your name and address. A duplicate of this page is provided by the seller for your records."

Cancellation must be in writing. Your customer may send a letter or other writing indicating their intention to cancel. Usually the customer will use one of the two copies of the notice of right to cancel by writing on it "I hereby cancel this contract" and mailing it to you. The notice must be mailed to you by midnight of the third business day following the transaction.

Within ten days of receiving the customer's cancellation notice, you must refund all payments your customer made and cancel the purchase contract. The transaction is void and the customer is not liable for any finance or other charges. Within twenty days you must return any trade-in vehicle. If you delivered the vehicle to your customer, they may keep it until you return the down payment. At that time, your customer must make the vehicle available to you at their residence.

If you do not pick up the vehicle within twenty days after the customer has made it available, the customer is entitled to keep the vehicle without any obligation to pay for it.

For a copy of the required three-day right to cancel notice, see the Wisconsin Department of Financial Institutions website at www.wdfi.org/wca/business_guidance/creditors/federal_notice.htm, or use the following sample "Right to Cancel" form.
You may cancel this transaction, without any penalty or obligation, within three business days from the above date.

If you cancel the transaction, the seller will do the following:

Within 10 days of receiving your cancellation notice

- Refund all payments you made.
- Return any paperwork you filled out or signed.
- Cancel any security interest the transaction created.

Within 20 days of receiving your cancellation notice

- Return any vehicle or other property you traded in.
- Pick up the vehicle at your residence, if the dealership has already delivered the vehicle to you, and has returned your down payment.

If you cancel, you must make the goods you received available to the seller at your residence. The goods must be in substantially as good condition as when you received them. If you wish, you may follow the seller's instructions for shipping the goods back to the seller at the seller's expense and risk.

If you make the goods available to the seller, and the seller does not pick them up within twenty days of the date of your cancellation notice, you may keep or dispose of the goods without any further obligation.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram to:

________________________________________ at  _________________________________________
(Name of seller)            (Address of seller's business)

Provide this notice not later than midnight of   ______________________________

(Date)

I hereby cancel this transaction.

______________________________________________________  _______________________
(Buyer’s Signature)        ( Date)
CONSIGNMENT SALES

Licensed dealers may sell a vehicle for a private party on consignment. Although the dealer does not own the vehicle, the dealer is authorized to sell it for the titled owner. **Consignment sales are prohibited between dealers, and between dealers and wholesalers.**

CONSIGNMENT AGREEMENT

- The laws regulating consignment sales are the same as those for dealer owned vehicle sales including inspection and display of the Wisconsin Buyers Guide. The only difference is that a consignment sale agreement must be completed and signed by both the dealer and seller before the dealer offers the vehicle for sale.
- The consignment agreement must contain all of the following information:
  - Date of consignment.
  - Name of consignor (vehicle owner) and consignee (dealership).
  - Description of the vehicle, including year, make and vehicle identification number (VIN).
  - Description of the vehicle's prior use.
  - Odometer disclosure statement (on separate form MV2488).
- Terms of the agreement, including duration, agreed upon minimum selling price, disposition of the amount received above the minimum sales price, and the amount of dealer commission.
  - Statement by the owner that the vehicle is clear of liens or stating the amount of any lien balance, and the name of the lien holder.
  - Vehicle owner and dealers signatures.
  - An agreement between the dealer and the vehicle owner that the dealership will hold the title for inspection by potential buyers during the period of consignment. The title will not be signed until the vehicle is actually sold. If the vehicle is not sold, the dealership promptly returns the title and the vehicle to the owner.

ADDITIONAL REQUIREMENTS FOR CONSIGNMENTS

When offering a consignment vehicle for sale, dealers are required to have an original odometer statement from the seller available for the customer's inspection. While dealers are not required to make the original title available to the customer, they are required to have a photocopy of the title available for the customer's inspection.

RECORD KEEPING

Enter a consigned vehicle into the used vehicle logbook when a consignment agreement is signed. Update the log book at the time of sale or when the vehicle is returned to the owner.

ODOMETER STATEMENT

When a consigned vehicle is offered for sale, the consignor must give the consigning dealer a completed conforming odometer disclosure statement. Before selling the vehicle the dealer is required to show the buyer the consignor’s odometer disclosure statement. When the vehicle is sold, the consignor must complete the transfer of ownership and the odometer statement on the title.
CONSIGNMENT SALE CHECKLIST


☐ Display Wisconsin Buyers Guide in the vehicle on the left rear window if possible. Wis. Admin. Trans. Code 139.04(6).

☐ Complete a motor vehicle purchase contract with the vehicle purchaser. Wis. Admin. Trans. Code 139.05.

☐ Explain Buyers Guide, have customer sign and date it. Wis. Admin. Trans. Code 139.04(6).

☐ Complete MV11 Application for Title and Registration, and submit to DMV within 7 business days. Wis. State Stat. § 342.16.

☐ Enter information for sold consignment vehicle into used vehicle logbook. If not sold, enter that the vehicle was returned to the owner. Wis. State Stat. § 342.16(2); Wis. Admin. Trans. Code 138.04(1)(f).

☐ Retain all records for five (5) years, even if the vehicle is unsold and returned to the owner. Wis. Admin. Trans. Code 138.04(3).
MOTOR VEHICLE CONSIGNMENT AGREEMENT

Consignment agreement between: ________________________________ Date of Consignment: ________________________________

(Name of Consignor(s) / Owner(s)) (Name of Consignee / Dealership)

(Street Address of Consignor) (Street Address of Consignee)

(City, State, Zip Code) (City, State, Zip Code)

(Telephone Number) (Telephone Number)

Description of Consigned Vehicle:

_________________________ ___________________________ __________________________

(Year) (Make) (Body Type)

VIN: __________________________

TERMS OF AGREEMENT:

1. SELLING PRICE. The consignee agrees that the selling price of the above described vehicle shall be not be less than $__________________.

2. COMMISSION. The consignor agrees to pay the consignee a commission of $__________, or __________ % of the above or actual selling price should the consignor sell the consigned vehicle or the commission shall be as follows: __________________________

3. DURATION: The duration of this agreement shall be the date of consignment to ______________. NOTE: A new consignment agreement should be executed if consignment is to be continued after this date.

OTHER TERMS:

1. WARRANTIES of CONSIGNOR: The consignor warrants that he/she has title and full power to dispose of the described consigned motor vehicle and that the consigned vehicle is free and clear of all liens except:

2. ____________________________ $__________________

_________________________ ___________________________ (Outstanding Balance)

(Name and Address of Lien holder)

3. APPLICABLE REGULATIONS. The consignor and the consignee understand that the consigned vehicle is subject to the same regulations of sales as if owned by the consignee.

4. TRANSFER OF TITLE. The consignee agrees to execute consigned vehicle within 4 business days of the sale pursuant to this agreement by the consignee.

Dated this ____________________ day of ______________, 20___.

_________________________ ___________________________

Consignor (Owner(s)) Consignee (Dealer representative)
PROTECT YOUR DEALERSHIP FROM ODOMETER FRAUD

The Wisconsin Department of Transportation has made a strong commitment to the investigation, detection, and prosecution of those persons and dealers who tamper with odometer readings. You are subject to criminal and/or regulatory action against your dealer license if the Department determines that you are knowingly selling rolled-back vehicles.

Do not rely only on the odometer statement provided. You have an obligation to make sufficient inquiries and take special efforts to be sure the odometer reading is accurate before certifying that the mileage is actual. In the case of a suspicious vehicle, you should obtain a title history from the state where the vehicle was last registered, and contact prior owners’ to confirm the odometer reading.

Any of the following could suggest a problem odometer, and should cause you to look further into a vehicle’s history:

IRREGULAR DOCUMENTS

- Blank, erased, altered or obscured mileage data on title documents.
- Blank, incomplete, or altered odometer mileage statements issued by prior owners.
- Undated or missing title assignments and reassignments.
- Incomplete odometer statement (i.e., mileage, date, etc.).
- Maintenance stickers, warranties, or other paperwork that may indicate a higher mileage.

SUSPICIOUS VEHICLE

- Vehicle age and condition do not fall within the range expected for the odometer reading.
- Speedometer or odometer is not functioning properly. Vehicle has been sold through more than one wholesale auction before retail sale. (Auctions have been used to dispose of tampered vehicles.)
- Parts have been replaced that normally would not be replaced on a low-mileage vehicle.
- Vehicle shows excessive interior wear, particularly in the driver’s area.
- Braking system shows excessive wear or replaced parts.

SUSPICIOUS SELLER

- Seller or a prior owner is known to have supplied altered vehicles in the past, or to have given inaccurate odometer statements.
- Seller’s name does not appear on the title or any assignments.
- Seller refuses to guarantee the mileage.