

# ADOMA DMV Webinar

January 18, 2023



<b>Fee Changes</b>	<b>2</b>
<b>Electronic Reporting for Commercial Policies</b>	<b>6</b>
<b>Online Portal for Surety Bond Companies</b>	<b>7</b>
<b>DMV Audits</b>	<b>8</b>
Date of Sale Timeframes	<b>9</b>
<b>Amending and Voiding Virtual Report of Sales (VROS)</b>	<b>10</b>
Temp Tags — Temporary License Plates (TLP)	<b>11</b>
Temporary Operating Permit (TOP)	<b>12</b>
Odometer Disclosure for 2011 Models and Newer	<b>13</b>
<b>Smog Compliance</b>	<b>14</b>
<b>Highlighters</b>	<b>15</b>

## Fee Changes

Effective January 1, 2023, the following fees have increased.

### 4th Quarter Use Tax Changes and Sunset Date Update

The following use tax changes will be effective January 1, 2023.

<i>City</i>	<i>City Code</i>	<i>County</i>	<i>County Code</i>	<i>Tax Abbreviation</i>	<i>Additional Rate</i>	<i>New Sunset</i>
Long Beach	13	Los Angeles	19	LBTG	1.000%	12/31/2022
Westminster	06	Orange	30	WESG	1.000%	12/31/2022

### Add City and County Use Tax Rate Increases

<i>If The City/County Is</i>	<i>And the ZIP Code Is</i>	<i>And Date First Operated and Date Fees Due (Originals) or Transfer Date (Non-Originals) Is</i>	<i>Then Add</i>	<i>To the Current Rate of</i>	<i>For a Total of</i>	<i>Until Sunset Date of</i>
Long Beach Los Angeles County CC: 19 (LBTU)	90801, 90810, 90813-90815, 90822, 90831- 90835, 90840, 90842, 90844, 90846-90848, 90853, 90899	On or after 1/1/2023	0.75%	10.25%*	10.25%	9/30/2027

\*NOTE: Effective jurisdiction tax rate prior to 1/1/2023 changes.

### Annual Consumer Price Index (CPI) Changes for 2023

Effective January 1, 2023, transaction fees and registration service fees will reflect fee increases as follows:

<i>Fee Code</i>	<i>Service or Transaction Fee</i>	<i>Current Fee Amount</i>	<i>New Fee Amount</i>
001	Current Vehicle Registration	\$62	\$65
101	1 <sup>st</sup> Prior Year Registration	\$62	\$65
201	2 <sup>nd</sup> Prior Year Registration	\$62	\$65
301	3 <sup>rd</sup> Prior Year Registration	\$62	\$65
002	Current CHP	\$29 (\$5, \$24)	\$30 (\$5, \$25)
102	1 <sup>st</sup> Prior Year CHP	\$29 (\$5, \$24)	\$30 (\$5, \$25)
202	2 <sup>nd</sup> Prior Year CHP	\$29 (\$5, \$24)	\$30 (\$5, \$25)
302	3 <sup>rd</sup> Prior Year CHP	\$29 (\$5, \$24)	\$30 (\$5, \$25)
013	Privately Owned School Bus	\$23	\$25
113	1 <sup>st</sup> Prior Year Privately Owned School Bus	\$23	\$25

**Annual Consumer Price Index (CPI) Changes for 2023, *continued***

<i>Fee Code</i>	<i>Service or Transaction Fee</i>	<i>Current Fee Amount</i>	<i>New Fee Amount</i>
213	2 <sup>nd</sup> Prior Year Privately Owned School Bus	\$23	\$25
313	3 <sup>rd</sup> Prior Year Privately Owned School Bus	\$23	\$25
016	Moped Original	\$23	\$25
029	Special Equipment Original	\$23	\$25
032	*One Trip Permit	\$23	\$25
035	*Off Highway Vehicle (OHV) Transportation Permit	\$23	\$25
045	Special Equipment Renewal	\$23	\$25
079	CVRA CHP Fee	\$47 (\$5, \$9, \$9, \$24)	\$50 (\$5, \$10, \$10, \$25)
179	1 <sup>st</sup> Prior Year CVRA CHP	\$47 (\$5, \$9, \$9, \$24)	\$50 (\$5, \$10, \$10, \$25)
279	2 <sup>nd</sup> Prior Year CVRA CHP	\$47 (\$5, \$9, \$9, \$24)	\$50 (\$5, \$10, \$10, \$25)
379	3 <sup>rd</sup> Prior Year CVRA CHP	\$47 (\$5, \$9, \$9, \$24)	\$50 (\$5, \$10, \$10, \$25)
296	Road Improvement Fee (RIF)	\$102	\$108
297	RIF 1 <sup>st</sup> Prior Year	\$102	\$108
298	RIF 2 <sup>nd</sup> Prior Year	\$102	\$108
299	RIF 3 <sup>rd</sup> Prior Year	\$102	\$108
402	Title Only	\$23	\$25
403	OHV Transfer	\$23	\$25
405	Moped Transfer	\$23	\$25
411	Salvage Certificate	\$23	\$25
412	OHV Salvage Certificate	\$23	\$25
421	Replacement Ownership	\$23	\$25
422	Replacement Registration	\$23	\$25
423	Replacement Plate	\$23	\$25
424	OHV Replacement Ownership	\$23	\$25

**Annual Consumer Price Index (CPI) Changes for 2023, continued**

<i><b>Fee Code</b></i>	<i><b>Service or Transaction Fee</b></i>	<i><b>Current Fee Amount</b></i>	<i><b>New Fee Amount</b></i>
425	OHV Replacement Registration	\$23	\$25
428	Moped Replacement ID Card	\$23	\$25
430	*American Ex POW Replacement Fee	\$23	\$25
432	Special Equipment Replacement ID Card	\$23	\$25
433	Horseless Carriage/Historical Vehicle Replacement Plate	\$23	\$25
434	Replacement Salvage Certificate	\$23	\$25
435	Off Highway Vehicle Replacement Salvage Certificate	\$23	\$25
441	Substitute Plate	\$23	\$25
442	Substitute Sticker	\$23	\$25
443	OHV Substitute Plate	\$23	\$25
446	Moped Substitute Plate	\$23	\$25
448	Special Equipment Substitute Plate	\$23	\$25
456	Partial Year Registration Service Fee	\$23	\$25
457	Non-Resident Original Service Fee	\$23	\$25
458	Non-Resident Re-Registration Service Fee	\$23	\$25
465	OHV Planned Non-Operation Service Fee	\$23	\$25
472	Vehicle License Fee (VLF) Refund Service Fee	\$23	\$25
474	Planned Non-Operation Service Fee	\$23	\$25
484	Nonrepairable Certificate	\$23	\$25
485	Replacement Nonrepairable Certificate	\$23	\$25
488	Permanent Trailer Identification Title	\$23	\$25
542	OHV Transfer Penalty	\$23	\$25

**Annual Consumer Price Index (CPI) Changes for 2023, continued**

<i>Fee Code</i>	<i>Service or Transaction Fee</i>	<i>Current Fee Amount</i>	<i>New Fee Amount</i>
621	*Prejudgment Attachment	\$23	\$25
627	*Nonresident Commuter Permit	\$23	\$25
680	*International Registration Plan (IRP) CHP	\$29 (\$5, \$24)	\$30 (\$5, \$25)
693	*IRP CVRA CHP	\$47 (\$5, \$9, \$9, \$24)	\$50 (\$5, \$10, \$10, \$25)
910	*Firm Special Plate Substitute	\$23	\$25
911	*Firm Replacement Registration	\$23	\$25
912	*Firm Substitute Sticker	\$23	\$25

**Transportation Improvement Fee (TIF) Increases**

Effective January 1, 2023, TIF fee codes 316, 317, 318, and 319 service fees will increase as follows:

<i>Vehicle Market Value</i>	<i>Current TIF Amount</i>	<i>New TIF Amount</i>
\$0–\$4,999	\$28	\$29
\$5,000–\$24,999	\$56	\$59
\$25,000–\$34,999	\$112	\$118
\$35,000–\$59,999	\$168	\$177
\$60,000 or more	\$196	\$206

## Electronic Reporting for Commercial Policies

Beginning January 1, 2023, insurance companies are now required to electronically report commercial policies, liability coverage, changes, and terminations to the Department of Motor Vehicles. Previously, insurers were only required to report private passenger liability policies; commercial garage/umbrella liability policies required manual reporting with REG 5085 Evidence of Financial Responsibility. However, the REG 5085 will remove an insurance suspension if one has been placed on a vehicle's record until December 31, 2023.

For additional information, refer to the following Vehicle Industry News memo:

① **REFERENCE:** VIN 2023-02

## Online Portal for Surety Bond Companies

October 2022, the Department of Motor Vehicles (DMV) launched a new digital service that allows customers to apply for, renew, and manage part of their Occupational Licenses (OLs) online. The new portal will enable customers to digitally match the surety bonds to an original application or a renewal for the following types of customers:

- All-Terrain Vehicle (ATV) Safety Training Organizations
- Driving Schools
- Employer Testing Programs
- Lessor-Retailers
- Registration Services
- Remanufacturers
- Traffic Violator Schools
- Vehicle Dealers
- Vehicle Verifiers

To get started the DMV will create the company account in the new online system and set up a user account for your company's employees who have permission to manage digital bond records. The surety company's authorized representative must submit a request for the account setup application to the following email address: [DMVLODSURBOND@dmv.ca.gov](mailto:DMVLODSURBOND@dmv.ca.gov). Include the following information to create the company account:

- Company name
- National Association of Insurance Commissioners (NAIC) number
- Primary administrator name
- Company address
- Company phone number
- Information for each employee who will manage the company's digital bond records:
  - \_Employee's name
  - \_Employee's company email address (not a personal email)
  - \_Employee's phone number

Once the account has been established the surety companies digital records of the bonds issues are available online to manage, cancel or reinstate.

For additional information, refer to the following Vehicle Industry News memo:

① **REFERENCE:** [OLIN 2022-08](#)

## DMV Audits

Within the past year, the Department of Motor Vehicles has initiated audits on many dealers throughout the state. These audits have primarily focused on transferring vehicle ownership. Since the virtual reports of sales went into effect and sales are being reported electronically daily, the DMV has transparency on real-time sales. Dealers with a certain amount of reports of sales incompleting based on electronically reported sales have raised concerns with the DMV. Upon completion of the audits, some dealers have been cited, fined, and issued misdemeanor violations.

Violations cited include but are not limited to

- Vehicles not being registered within 60 days
- Excessive number of pending RDF's
- Vehicles being sold without smog
- Vehicles without VIN verification
- Vehicles being sold without title (California Vehicle Code Sec. 11709.4)



# Audit prevention and compliance

## Date of Sale Timeframes

The DMV has changed the date of sale timeframes for the various Reports of Sale, and they are cracking down. The following restrictions on the ROS Date of Sale are being enforced:

- **You cannot generate a ROS for a future date.** This applies to all ROS types - New, Used, or Wholesale.
- **You cannot generate a ROS with a date of sale older than 90 days.** This applies to REG 397, REG 51, and REG 397A.
- **You cannot generate a ROS with a date of sale older than five days (including weekends and holidays).** This applies to REG 396 and REG 398 (wholesale report of sales).

## Timeframes for Various Reports of Sale

ROS Type	Date of Sale
All — new, used or wholesale	<b>NOT</b> a future date
REG 397, REG 51 or REG 397A	<b>NOT</b> older than 90 days
REG 396 or REG 398	<b>NOT</b> older than five days

## **Amending and Voiding Virtual Report of Sales (VROS)**

Virtual Report of Sales (VROS) can and should be Amended electronically if applicable. VROS can be amended prior to fees being posted to the record or the transfer of ownership being completed.

- 20 days - New VROS
- 30 days - Used VROS

Corrections may be made to any part of the VROS except:

- Date of Sale
- Odometer Disclosure
- ROS number
- TLP number

If fees have been posted, communicate with the title clerk to make the appropriate changes to the VROS issued.

In an effort to reduce the number of processing errors, please VOID a VROS if the customer has not taken delivery of the vehicle. Unprocessed VROS are not acceptable to the DMV.

## Temp Tags — Temporary License Plates (TLP)

Effective January 1, 2019, Temp Tags must be issued and securely fastened to any vehicle that does not have the necessary number of plates based on the vehicle type at the time of delivery. Temp Tags will allow law enforcement and parking/toll agencies to identify vehicle ownership, ultimately reducing the loss of revenue and criminal activity.

Temp Tags are valid for up to 90 days or until the purchaser receives license plates and registration cards. Upon receipt of permanent license plates, the customer must destroy the Temp Tags when placing the actual hard plates on the vehicle. **The dealer does not have the ability to extend the Temp Tags past 90 days.**



## Temporary Operating Permit (TOP)

Effective January 13, 2022,

Temporary Operating Permits (TOP) will not be issued to dealers to extend the temporary license plates beyond 90 days.

Dealers have requested TOPs from DMV Industry Business Centers to extend the validity period of the ROS and or TLP when their dealer applications are incomplete. The ROS validity period was changed from 6 months to 90 days due to statutory changes and implemented with revisions of the Application for Registration of New Vehicle (REG 397) and Report of Sale Used-Vehicle (REG 51).

For additional information, refer to the following Vehicle Industry News memo:

① **REFERENCE:** [VIN 2022-03](#)

STATE OF CALIFORNIA <b>DMV</b> DEPARTMENT OF MOTOR VEHICLES		<b>TEMPORARY OPERATING PERMIT</b>		<b>OKA 4004394</b>	
<input checked="" type="checkbox"/> AUTO	<input type="checkbox"/> COML	<input type="checkbox"/> PARK/CH TRLR		<b>198555</b>	
<input type="checkbox"/> PTI	<input type="checkbox"/> M/C	<input type="checkbox"/> VESSEL		STICKER SERIAL NUMBER	
THIS PERMIT EXPIRES ON THE DATE NOTED BELOW				<b>557801</b>	
<b>5</b>	<b>31</b>	<b>2022</b>		LICENSE PLATE NO. OR TIN NO.	
MONTH	DAY	EXPIRATION YEAR			
<b>Fore</b>		<b>IFDXE9F54ADA</b>			
MAKE		VEHICLE, ENGINE OR HULL IDENTIFICATION NUMBER			
<b>D36031222240028</b>				<b>250.00</b>	
RECEIPT NO.				AMOUNT	
Fee to register this vehicle or vessel has been paid to the State of California, Department of Motor Vehicles. This permit must be accompanied and supported by either:				<b>TEMP PERMIT</b>	
1. A Department receipt. The receipt number and the receipt number shown on this permit must agree.				<b>20 C A 22</b>	
2. A letter issued by the Department confirming the issuance of this Permit.				<b>F0197762</b>	
		<b>036 MAR 12 2022</b>			
AUTHORIZED SIGNATURE		LINE DATE STAMP			
REG 19F5 (NEW 1/2009)					

## Odometer Disclosure for 2011 Models and Newer

Beginning January 1, 2021, the odometer reading must be disclosed when transferring ownership of a vehicle if it is less than 20 years old, beginning with the 2011 model year and newer. Exempt vehicles outlined in Chapter 5 of the Vehicle Industry Registration Procedures Manual will remain exempt. The table below shows a vehicle's age by subtracting the model year from the calendar year to determine if odometer disclosure is required.

Model Year	Calendar Year										
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
2011	10	11	12	13	14	15	16	17	18	19	20
2012	9	10	11	12	13	14	15	16	17	18	19
2013	8	9	10	11	12	13	14	15	16	17	18
2014	7	8	9	10	11	12	13	14	15	16	17
2015	6	7	8	9	10	11	12	13	14	15	16
2016	5	6	7	8	9	10	11	12	13	14	15
2017	4	5	6	7	8	9	10	11	12	13	14
2018	3	4	5	6	7	8	9	10	11	12	13
2019	2	3	4	5	6	7	8	9	10	11	12
2020	1	2	3	4	5	6	7	8	9	10	11
2021		1	2	3	4	5	6	7	8	9	10
2022			1	2	3	4	5	6	7	8	9

Chapter 5.025 of the Vehicle Industry Registration Procedures Manual outlines the proper procedure for completing odometer statements, as necessary. Remember, the DMV encourages odometer mileage disclosure for all vehicles regardless of year model, or exemption.

This extended reporting period adopted by DMV is in response to the National Highway Traffic Safety Administration (NHTSA)'s new rules to combat odometer fraud, given that the lifespan of a vehicle now extends well past 10 years.

For additional information, refer to the following Vehicle Industry News memo:

① **REFERENCE:** VIN 2021-10

## Smog Compliance

Smogging your used vehicle inventory is a significant aspect of a dealer's compliance. The smog must be completed before the retail sale and delivery of the vehicle. If the required smog certificate is not submitted with a transaction, BPA places a VLT stop on the vehicle record until the smog is completed.

This prevents:

- The sale of the vehicle
- Any changes to the vehicle record
- The customer from receiving a renewal notice when renewal fees are due

### Noncompliance Penalties

Vehicle dealers who are noncompliant with dealer smog certification requirements and sell a vehicle without satisfying the smog inspection are subject to:

- Suspension or revocation of Dealer Occupational License and payment of fines ranging from \$15 to \$750 per violation
- Additional fines for each day the dealer is noncompliant with the Air Resources Board requirements

### Smog Requirements

A smog certificate is required on original, non-resident and transfer applications for gas-powered 1976 and newer year models as well as diesel-powered 1998 and newer year models, with gross weight rating (GVWR) of 14,000 pounds or less. Also, all 2000 and newer model year hybrid (gas/electric) vehicles now require a smog certificate.

### Smog Certificate Required from Dealerships

Transaction Type	Motive Power — Year Model
• Original	• Gas-powered — 1976 and newer
• Nonresident	• Diesel-powered — 1988 and newer with
• Transfer applications	a GVWR of 14,000 lbs. or less
	• Hybrid (gas/electric) — 2000 and newer

## Highlighters

Highlighters can be helpful, except in Texas! With California being a leader in vehicle sales, many customers come from other states to purchase vehicles. While California DMV documents are now digitally scanned, many other states still employ the microfiche method of archiving. NO highlighter can be used on any Title and Registration documents. This includes, for example, the Certificate of Title, MCO, Title and Registration Application, or Odometer Statement, as these documents may be microfiche and will not be adequately archived upon receipt. If any documents are noted to be highlighted, the deal is subject to rejection by the state and will result in processing delays and any penalties that may accrue from the delay.