Vehicle Licensing Guide

Motor Vehicle Dealer Sales-Reassignment of Title VLIC-3.320

Original Date: 08/09/2004 **Revision Date:** 04/10/2019

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Title: Motor Vehicle Dealer-Reassignment of Previously Titled Motor Vehicle

Effective Date: August 9, 2004 Revision Date: August 25, 2018

Authority: Code of Virginia §§ 46.2-600, 46.2-621, 46.2-622, 46.2-623, 46.2-628, <<<<**REVISION** 46.2-1530, 46.2-1530, 46.2-1530, 46.2-1532, 46.2-1544 **END**

REVISION>>>> Code of Federal Regulations: 49CFR580

Policy

<<<<REVISION

Dealers shall obtain from DMV a certificate of title issued to the dealer or obtain an assignment or reassignment of a certificate of title for each used vehicle transferred and/or sold. This is not required for any new vehicle sold as new.

Every owner or transferor of any motor vehicle, including a dealer, shall, at the time of transfer of ownership of any motor vehicle, record on the certificate of title and on any application for certificate of title the reading on the odometer at the time of transfer. **END REVISION>>>>**

Exception: N/A

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DEFINITIONS

Conforming Title Certificate -- A title certificate that contains a space for both the titled owner (seller) and the buyer to sign and print their names to disclose the odometer reading upon transfer of ownership of a motor vehicle.

NOTE: Virginia titles issued after March 1999 are printed with a security feature: an asterisk (*) displaying at the beginning and at the end of the odometer reading, with no space.

EXAMPLE: When the odometer reading is 125,500, the title will show ***125,500*A** (A is for actual). If a space exists between the asterisk and the series of numbers, a potential for fraud exists: request assistance from management or designee.

Non-Conforming Title Certificate -- A title certificate WITHOUT a space for both the titled owner (seller) and the buyer to sign and print their names to disclose the odometer reading upon transfer of ownership of a motor vehicle.

For older title certificates without an odometer reading disclosure section, dealers must place the first reassignment of
the vehicle on a secure dealer reassignment requiring the dealer representative and the buyer to sign and print their
names to disclose the odometer reading to comply with the Motor Vehicle Information and Cost Savings act (Truth in
Mileage Act).

Conforming (Secure) Power of Attorney Form or (Secure) Dealer Reassignment Form-- Forms that are printed on paper that have security features built into the paper that make alterations visible to the naked eye. The forms are numbered for inventory control and contain spaces for both the dealer representative and the buyer to sign and print their names to disclose the odometer reading upon transfer/sale of a motor vehicle.

The Power of Attorney to Sign for Owner When Registering and/or Transferring Ownership of a Motor Vehicle (VAD 70A) is the Virginia secure power of attorney form used only by Virginia licensed motor vehicle dealers. This form is used only when the title is not available to the dealer at time of transfer or sale of the vehicle due to its being lost or held by the lienholder.

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Assignment of Title -- Transfer of ownership from the titled owner (seller) of a motor vehicle to the purchaser. This assignment is made on the title certificate in the section so labeled.

Reassignment of Title -- Transfer of ownership from one licensed dealer to either another licensed dealer or a retail purchaser.

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SECURE POWER OF ATTORNEY

The Power of Attorney to Sign for Owner When Registering and/or Transferring Ownership of a Motor Vehicle (VAD-70A) is used by Virginia licensed motor vehicle dealers to disclose a vehicle's odometer reading when the title is not available at the time of transfer/sale due to one of the following reasons:

- The title is still held by the lender, or
- The title is lost.

When the title is not available at the time of transfer/sale, the VAD 70A MUST be used as the official odometer disclosure document.

Each of the 3 parts of the VAD 70A are used as described below:

PART A-POWER OF ATTORNEY TO DISCLOSE MILEAGE is used when transferring the vehicle from the seller (customer) to the buyer (dealer), appointing the dealer representative as "attorney in fact" for the seller with authority to disclose the mileage and to sign the Certificate of Title or other supporting documents necessary to register or transfer ownership of the vehicle.

PART B-POWER OF ATTORNEY TO REVIEW TITLE DOCUMENTS AND ACKNOWLEDGE DISCLOSURE is used when the vehicle is sold before the dealer receives the title. In this case, the buyer appoints the dealer representative as "attorney in fact" for the buyer with authority to disclose the mileage and sign the Certificate of Title, or other supporting papers necessary to register or transfer ownership of the vehicle.

- PART B CANNOT be completed if PART A is blank.
- Power of attorney CANNOT be granted to a dealership; it must be granted to an individual representing the dealership.

PART C - CERTIFICATION section must be completed by the dealer representative when the title certificate is finally received. By completing this section, the dealer representative is certifying that the information contained in PART A and PART B (if completed) is accurately transferred to the assignment on the title certificate.

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CUSTOMER REQUIREMENTS

- 1. Submit an application for title in accordance with VLIC-3.000.
- Submit the following, as required:
 - VAD 70A
 - Reassignment of Title by Virginia Motor Vehicle Dealer (VAD 20A)

OR

Out-of-state dealer supplemental reassignment form(s)

- Application for Replacement and Substitute Titles (VSA 67) when title has been lost
- Bill of sale/buyer's order
- Other required documents for the type of vehicle being sold (refer to <u>VLIC-3.000</u> and <u>VLIC-3.105</u>)
- Submit proof of address, when applicable. (Refer to <u>VLIC-3.530</u>.)
 - Dealers submitting title work on behalf of the customer must verify and record the customer's proof of address
 document in the "Proof of Address (Specify)" field in the "DMV Use Only" section on the back of the <u>VSA-17A</u> or
 the <u>VSA-17B</u>.
- Submit fees.

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Review and verify acceptability of the title application following guidelines in <u>VLIC-3.000</u>.

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- 2. Verify submission of the following, as required:
 - VAD 70A, when applicable (refer to VLIC-3.320)
 - Used by dealer only when title to the vehicle is not available at time of sale due to it being lost or in the possession of a lienholder.
 - If there are multiple buyers and/or sellers, only one of the sellers and/or one of the buyers is required to sign in section A of the VAD 70A to disclose the odometer reading. However, it is acceptable if all buyers and sellers have signed.

NOTE: Individuals who are granted POA to act as agent for the person or entity assigning power of attorney must be listed by name on the POA. POA cannot be assigned to a company without defining the INDIVIDUAL(s) authorized to act as the agent.

- If the vehicle is co-owned and only one of the co-owners has signed in Part A of the VAD 70A, the other co-owner must:
 - Grant power of attorney to the co-owner via a Power of Attorney to Sign for Owner When Registering or and/or Transferring Ownership of a Motor Vehicle (<u>VSA-70</u>) to sign on their behalf in Part A.

OR

- Sign as a seller in the assignment section of the title certificate
- Dealer supplemental reassignment forms:
 - o VAD 20 for Virginia dealers only (refer to Points to Remember), or
 - Out-of-state dealer reassignment form(s)

NOTE: Any previous reassignment on the title that was executed under a power of attorney must have that specific power of attorney attached.

- Bill of sale/buyer's order
- Other required documents in accordance with <u>VLIC-3.000</u> and <u>VLIC-3.105</u>.
- 3. Review the reassignment form(s) to ensure:
 - Transfer dates recorded on the reassignments reflect a sequential chain of possession, and
 - Odometer readings are the same reading, or greater than the reading entered in previous reassignments.
- 4. Verify that all liens are entered into the system.
- Verify "Proof of Address (Specify)" field in the "DMV Use Only" section on the back of the <u>VSA-17A</u> or the <u>VSA-17B</u> is completed by the dealer.
- Verify the odometer disclosure field is completed on the VSA 17A and on one of the following:
 - Odometer disclosure field on a conforming certificate of title, or on any attached (Secure) Power of Attorney Form or (Secure) Dealer Reassignment Form

OR

 For non-conforming certificates of title, on a DMV Odometer Disclosure Statement (<u>VSA-5</u>), or non-secure out of state odometer disclosure form. Title must be submitted in this case. It is preferred that the odometer be disclosed in the appropriate section of the MCO/MSO.

EXCEPTION: Vehicles with a model year that is at least 10 years or older than the current calendar year and VEHICLE WAS EXEMPT FROM ODOMETER DISCLOSURE IN THE PRIOR STATE OF TITLE are exempt from recording odometer reading (refer to <u>VLIC-3.520</u>).

Applicant must present the out-of-state title showing the exemption.

<<<<REVISION

- 7. If a VAD-70A is submitted, verify that the person granted power of attorney and the seller have signed and printed their names and the odometer reading has been entered in PART A.
 - a. If PART B of the VAD-70A has been completed, verify that the person granted power of attorney and the buyer have signed and printed his or her names and that the odometer reading has been entered in PART B of the form.

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FRONT COUNTER CSR Continued

- b. Verify that the person granted power of attorney in PART A of a VAD-70A completes PART C by signing and printing his or her name to certify that the information has been transferred to the assignment on the title certificate correctly.
- c. Verify that each reassignment has been completed correctly and that a dealer representative from both the selling and buying dealership has signed and printed his or her name in all supplemental reassignments.

NOTE: When a title is transferred between dealers (non-retail), the person authorized to sign for the dealership signs and prints on the reassignment form. Due to limited space on a re-assignment form, in the "PRINTED NAME" field, the authorized person may print just the name of the dealership. This should be accepted with or without the printed name of the individual signing for the dealership, as long as a valid signature is present.

- **d.** Verify that the odometer reading is either the same reading, or is greater than the reading entered in the previous reassignment(s). **END REVISION>>>>**
- Verify that the following information on the VAD 70A is consistent and corresponds with the information on the title and accompanying documents.
 - · Odometer reading at time of transfer
 - Date of transfer
 - Transferor's (the one transferring ownership) name and current address
 - Transferee's (the person ownership is being transferred to) name and current address
 - Identity of the vehicle, including its make, model, year, body type, and vehicle information number
 - Signature and printed names of both the transferor and transferee
 - Transferor certification that the odometer reading is:
 - Actual mileage, or
 - o In excess of the odometer mechanical limits (code "E"), or
 - NOT the actual mileage
 - This is an ODOMETER DISCREPANCY (use code "N" for Not Actual Mileage).

NOTE: For odometer disclosure requirements, refer to VLIC-3.520.

- Continue processing the title following guidelines in <u>VLIC-3.000</u>.
 - For dealers who are unable to process their own titles online because the title involves an exceptional situation
 that a dealer cannot process online (see list below), or when the purchaser of the vehicle delivers the dealer
 paperwork to a CSC for titling, enter "Cus" in the "Man Dlr Rsn" field to prevent the system from charging the \$15
 manual dealer fee:
 - o Includes an original disabled parking place, clean special fuel plate, or other plates that require certification
 - Vehicles that have an odometer code of "O" or "E"
 - Car and motorcycle VINs with less than 17 digits
 - o The prior title has a HELD condition (Customer Held, ELT, or held for additional ownership documents)
 - o Involves a repossessed vehicles
 - Requires a substitute or replacement titles
- 10. Prepare documents with the correct barcode coversheet and place in appropriate area for document preparation.

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POINTS TO REMEMBER

- Dealers cannot use the VSA 70 to sign for their customer under any circumstance.
- The VAD 20 reassignment form allows a dealer to reassign a vehicle an additional 3 times after the reassignments on the title certificate have been completed.
- Virginia dealers must first complete the reassignments on the Virginia or out-of-state title certificate when transferring ownership before using the reassignments fields on the VAD 20 or out-of-state supplemental reassignment form.
- A Virginia dealer SHOULD use the reassignment on the Virginia or out-of-state title certificate to transfer ownership and
 only make use of a supplemental reassignment form once all the reassignments are completed on the title certificate.

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- If blank reassignment blocks exist on the title certificate, but a Virginia dealer uses the reassignment fields on the VAD 20 instead of on the title to transfer ownership, the dealer will write "VAD 20" and the VAD 20 document number in the first blank reassignment block on the title certificate to indicate that the reassignment was completed on the VAD 20.
 - The process above is preferred, but title work can be accepted regardless that a VAD 20 was used for reassignment without writing "VAD 20" in existing blank reassignment blocks on the title.
- If an out-of-state dealer has used an out-of-state supplemental reassignment form, the VA dealer, when reassigning the vehicle, SHOULD continue on that form and not add a VAD-20.
- A Virginia or out-of-state title certificate must accompany the VAD 20 or out of state reassignment forms.
 - A combination of multiple secure in-state and out-of-state reassignment forms can be accepted provided that the title certificate accompanies them.
- An out-of-state dealer can complete an open reassignment on the VAD 20.
- A VA dealer can reassign a vehicle on a secure out-of-state reassignment form when an out-of-state title certificate
 accompanies the form.
- When a non-secure reassignment form accompanies an out-of-state title certificate, a Virginia dealer must use a vacant reassignment on the title certificate or on a VAD-20.
- A maximum of four reassignments, counting a combination of those on the title and the in-state and/or out-of-state
 reassignment forms, are permitted before the vehicle must be retitled. The four reassignments can be spread out over
 multiple reassignment forms.
- The Virginia dealer listed as purchaser on the last reassignment on the VAD-20 must secure a VA title certificate in the dealer's name before reassigning the vehicle to another purchaser.
- Photocopies of the VAD 20 are NOT accepted.
- If the odometer reading for a new motor vehicle is not disclosed in the appropriate section of the MCO/MSO (preferred), it can be disclosed on a non-secure form: "Odometer Disclosure Statement" (VSA-5).
- The VAD 20 can be used with an MCO/MSO for additional reassignments when running out of space on the MCO/MSO itself. If the dealer sells new vehicle to another dealer, or a customer and the reassignments on the MCO/MSO are full, the dealer can use the VAD 20 to transfer ownership.

NOTE: The VA dealer named as the purchaser in the last reassignment on the VAD 20 MUST secure a VA Certificate of title in the dealer's name before reassigning the vehicle to another purchaser.

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CONTACT

For additional information contact:

- Your CSC Manager/Assistant Manager
- DMV Contact Center Help Desk at (804) 367-6646
- VSA/Titling Work Center

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