

Vehicle Licensing Guide

Correcting Dealer Titling Error-MCO/MSO VLIC-3.425

Original Date: 04/12/2005
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POLICY	
Title: Correcting Dealer Titling Error-MCO/MSO	
Effective Date: April 12, 2005	Revision Date:
Authority: Code of Virginia §§ 46.2-600 , 46.2-621 , 46.2-622 , 46.2-623 , 46.2-628 , 46.2-1500	
Policy: DMV will correct titling errors in the system when a new motor vehicle has been titled in the wrong purchaser's name due to the dealer submitting incorrect titling documents (MCO/MSO) to DMV. The vehicle record must be corrected before a dealer can apply for another MCO/MSO from the vehicle manufacturer for the incorrectly titled new motor vehicle.	
Exception: N/A	

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DEFINITIONS

Manufacturer's Certificate/Statement of Origin (MCO/MSO)-A certificate of origin is a document provided by the manufacturer of a new motor vehicle, or its distributor, as the first record of the vehicle's existence. The certificate of origin serves as the first ownership document between the vehicle's manufacturer, distributor, franchised motor vehicle dealer, and the first retail purchaser. Although not standardized, the MCO/MSO normally identifies the same vehicle and owner information as listed on the Certificate of Title. If an MCO/MSO is misplaced before vehicle ownership is transferred, the manufacturer can issue a duplicate MCO/MSO.

OVERVIEW

Dealers who sell a new motor vehicle to a customer, but submit titling documents (MCO/MSO, VSA-17A) for a different vehicle to DMV, must follow the process in this procedure to correct the titling error before being allowed to apply for a duplicate MCO/MSO.

If a dealer tries to correct the error by submitting a NEW transaction to title the correct vehicle in the customer's name without first correcting the incorrect record in DMV's system, the customer will be required to assign the incorrect title back to the dealer, making that vehicle a "USED" vehicle and no longer eligible for titling from the MCO/MSO.

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CUSTOMER REQUIREMENTS

1. Submit the following:

<<<<REVISION

- Completed "Change Registration-VIN-Business Name Application" ([VSA 71](#)) **END REVISION>>>>**
 - Provide the VIN for the correct vehicle in the Vehicle Identification Number (VIN) field.
- MCO/MSO for the vehicle the customer actually purchased.
- Incorrect Virginia title
 - If the title has been issued to a lienholder, the dealer must contact the lienholder to have the title returned. The lender must acknowledge on their letterhead that there was a "substitution of collateral" for the original titled vehicle.
 - If the title has an e-lien, a stop or a held, and was never printed, the dealer will not have to submit the incorrect Virginia title.

<<<<REVISION

- Submit a notarized statement from both the dealer and the customer(s) stating that the vehicle identification information provided for titling purposes was incorrect. **END REVISION>>>>**

- No SUT refund (if applicable) will be processed if the notarized statement is not submitted.
 - Copy of the Buyer's Order for the correct vehicle.
 - Completed "Application for Refund of Sales and Use Tax" ([SUT 2](#)), if refund of SUT is due
 - If the SUT paid for the incorrect title documents was based on a higher sales price than the sales price for the correct vehicle, the customer will be due a refund of SUT paid based on the difference between the two vehicle prices.
2. Pay additional sales tax, if applicable.
- If the SUT paid on the incorrect title documents was based on a lower sales price than the sales price for the correct vehicle, the dealer will be required to pay the SUT owed on the difference between the two vehicle prices.

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FRONT COUNTER CSR

1. Verify that all above listed documents are submitted correctly.
2. Collect additional SUT due, if applicable.
3. Process refund of SUT paid, if applicable.
4. Correct the VIN on the vehicle record to show the correct:
 - VIN
 - Make
 - Year
 - Body type
5. Process a substitute title. (Refer to [VLIC-3.120.](#))
6. Collect the substitute title fee (and transfer fee if applicable).
 - Dealer is now eligible to apply for a duplicate MCO/MSO for the vehicle that was incorrectly titled.
7. Prepare documents with correct barcode coversheet and place in appropriate area for document preparation.

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DMV CONTACT CENTER ACTIONS

- Do not promise the acceptability of documents to customers.
 - Do NOT use phrases like:
 - "You have everything you need, just go to a CSC and they will issue your document."
 - Use phrasing such as:

"The documents you have listed sound like they may be acceptable: The CSC will make the final determination of the acceptability of the documents you have discussed."

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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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