

# Vehicle Licensing Guide

Dealer Out of Business  
VLIC-3.420

Original Date: 07/10/2008  
Revision Date: 05/25/2015

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POLICY	
Title: Dealer Out of Business	
Effective Date: July 10, 2008	Revision Date: May 25, 2015
Authority: Code of Virginia §§ <a href="#">46.2-618</a> , <a href="#">46.2-632</a> , <a href="#">46.2-654.1</a>	
Policy: DMV may title and register a vehicle for a customer when purchased from a dealership that goes out of business before a title has been processed in the customer's name. The customer must submit all required documentation and pay sales and use tax, title and registration fees due for titling.	
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## OVERVIEW

### Dealership actions:

1. Sell vehicle to purchaser, and
2. Collect sales and use tax, registration, and titling fees, and
3. Go out of business before submitting required documents and fees to DMV for titling.

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#### Customer is responsible to:

1. Submit required documents to DMV, and
2. Pay required sales and use tax, registration, and titling fees,
3. Apply to the MVDB for reimbursement of fees paid to dealership that has gone out of business. **END REVISION>>>>>**

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#### DMV is responsible to:

1. Accept and verify documents submitted, and
2. Collect required sales and use tax, registration, and titling fees. **END REVISION>>>>>**

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## CUSTOMER REQUIREMENTS

1. Submit the following:
  - Affidavit in Lieu of Title Certificate ([VSA 12](#)).
  - Completed Application for Certificate of Title and Registration ([VSA-17A](#)).
  - Bill of sale/buyer's order from the dealership showing that they purchased the vehicle.
  - A letter from MVDB stating that the dealership has gone out of business, when available.
2. Pay required fees:
  - Sales and use tax,
  - Titling fee,

- Registration fee, and
- Other associated fees, when applicable.

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## FRONT COUNTER CSR

1. Verify submission of the following required documents,

- Affidavit in Lieu of Title Certificate form [VSA 12](#).
- Completed Application for Certificate of Title and Registration [VSA-17A](#).
- Bill of sale/buyer's order from the dealership showing that they purchased the vehicle.

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- a. If no letter is available from the MVDB stating the dealership is out of business, verify the dealer is marked "out of business" (OB) in the system by:
  - i. Obtaining the "dealer certificate number" by inquiring on the vehicle record, or from the bill of sale/buyer's order submitted by the customer.
  - ii. Inquiring on the dealer record in the system using the "dealer certificate number" to verify the dealer's status shows "out of business" (OB).
- b. If the dealer is not marked "OB" in the system, call the MVDB at (804) 367-1100, ext. 3010 or 3015 to verify that the dealer is out of business.
- c. If the MVDB advises the dealer is not reported out of business, DO NOT process the Affidavit in Lieu of Title ([VSA 12](#)). The customer must submit an assigned title and all other required documents to title the vehicle in accordance with [VLIC-3.000](#). **END REVISION>>>>>**

2. Request CSC Manager to verify submitted documents are sufficient to satisfy the requirements for acceptance of the Affidavit in Lieu of Title Certificate ([VSA 12](#)),

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3. Process the title in the system per [VLIC-3.555](#), **END REVISION>>>>>**

4. Collect required fees:

- Sales and use tax,
- Titling fee,
- Registration fee , and
- Other associated fees, when applicable

These fees are due, regardless if the customer has paid them previously to the dealership. Because DMV never received the titling documents and required fees from the dealership, the fees must be collected when the customer chooses to title and register the vehicle at DMV.

5. Give the customer the registration and plates, if applicable.
6. Advise the customer they may contact the MVDB at the number below for information regarding reimbursement of titling fees paid to the out of business dealership:
  - **MVDB: (804) 367-1100, ext. 3007**

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## CONTACT

For additional information contact :

- Your CSC Manager/Assistant Manager
- DMV Contact Center Help Desk at (804) 367-6646
- VSA/[Dealer Services Work Center](#)