

## **Physical Inspection of Motor Vehicles**

Basis: The statutory basis for this regulation is 42-3-105 (1)(b) and 42-6-107 (1)(b).

Purpose: The purpose of this regulation is to establish criteria for the performance of physical inspections on motor vehicles.

### **Requirements**

Every vehicle owner required to title or register in this state who presents as proof of ownership a title or registration issued by another state or country and all vehicles presenting a Manufacturer's Certificate of Origin assigned to an out-of-state dealer shall be required to be inspected prior to titling or registering the vehicle in Colorado.

The inspection of the vehicle may be performed by any Colorado law enforcement officer, licensed new or used Colorado motor vehicle dealer, any licensed Colorado inspection and readjustment station, any licensed Colorado diesel inspection station, any County Clerk, or any other vehicle related entity designated by the Department.

All licensed new and used Colorado motor vehicle dealers, licensed Colorado inspection and readjustment, licensed Colorado diesel station or approved vehicle related entity must post in full view of the customer a sign disclosing the hours of operation and the fees for performing the inspection.

All inspections shall be complete and recorded on the form supplied or approved by the Department of Revenue, Motor Vehicle Business Group.

### **Enforcement and Hearing Procedures**

The statutory basis for this regulation is 42-1-204.

The following rules and regulations are promulgated to provide procedures to be followed when the Department conducts a hearing for a possible violation of either title or registration rules or regulations.

### **Requirements**

1. Whenever the Department determines that a violation of any title or registration rule or regulation has occurred, the Department shall issue an Order to Cease and Desist and shall provide to the violator a Notice of the charged violation.
2. The Order may be a Summary Order to Cease and Desist, provided that such Order is followed by a Notice; or a Notice and Order to Cease and Desist on a future date certain may be issued.
3. The Order to Cease and Desist and/or the Notice of violation shall be mailed to the respondent by first class mail. All notices shall be directed to the most current address as indicated on the Motor Vehicle Division's records. Nondelivery due to an unreported address change shall not constitute reason for dismissal of the action.
4. The Notice shall specify the charge(s) and advise that upon request the violator will be afforded an opportunity to confer with Department representatives concerning the charge(s) and proposed sanction(s). Such conference, when requested, shall be held prior to the effective date of the Order or, in the case of a Summary Order, as soon as possible following the date of the Order.
5. At the conference, the violator shall be permitted to review the evidence concerning the charge and may enter into discussion with Department representatives concerning possible sanction options.

After conferring, the violator may stipulate to the charge and accept one of the offered options, or he may reject all options and request a formal hearing.

6. Such request for formal hearing must be made by the violator to the Motor Vehicle Hearing Section within ten (10) days following the conference. A violator who elects not to confer with the Department as provided above may apply directly for a formal hearing upon receipt of the Notice. Request shall be made to the Motor Vehicle Hearing Section within twenty (20) days of the date of the issuance of the Notice. Failure of the violator to request a formal hearing within the time prescribed shall constitute a waiver of the right to a hearing and the Department's Order shall become final.
7. The formal hearing shall be scheduled within twenty (20) days of the request for hearing and shall be held before a Department of Revenue Hearing Officer. At the hearing, the violator shall have the opportunity to dispute the Department's charge(s) and to argue against the Department's sanction(s). The violator may be represented by legal counsel at the hearing.
8. After the matter has been heard, the hearing officer shall make findings of fact and shall issue an order on behalf of the Executive Director. The order of the hearing officer shall constitute an initial decision appealable to the Executive Director of the Department of Revenue under the Colorado Administrative Procedures Act.
9. Any Cease and Desist Order issued pursuant to this regulation shall result in the cancellation of such privileges upon a final Cease and Desist Order. The violator shall immediately cease to use the privilege granted and shall surrender all applicable state issued materials to include but not limit to license plates, tabs, temporary permits, applications, and registrations, or such materials may be seized by a designated enforcement officer of the Department of Revenue.
10. Reapplication by a violator who receives a Cease and Desist Order shall not be permitted until the terms and conditions of the Division are complied with.

### **Issuance of Dealer Demo License Plates**

Basis: The statutory basis for this regulation is C.R.S. 42-3-127.

Purpose: The following rules and regulations are promulgated to establish criteria for the issuance and use of dealer demo plates.

### **Requirements**

1. Dealer demo plates may be obtained by a duly licensed new or used motor vehicle dealer or wholesaler from the County Clerk in the county where said dealership is located, or in Denver County, from the Manager of Revenue. The Department of Revenue, Enforcement Business Group, Auto Industry Division, will issue the dealer or wholesaler a license with plate authorization that must be presented to the issuing agency at the time of application for dealer demo plates.

### **Use of Dealer Demo License Plates**

### **Requirements**

1. A dealer demonstration plate can be displayed ONLY on vehicles owned by or consigned to the dealer or the wholesaler. Proof of ownership is shown by a Manufacturer's Certificate of Origin (MCO), title or consignment agreement properly assigned in the dealer's licensed name.
2. A dealer demo plate may be used on a vehicle operated by a prospective buyer. Demonstration drives by a prospective purchaser cannot exceed seven (7) calendar days. The dealer must issue an

authorization letter to any prospective buyer demo-driving the vehicle after the dealer's NORMAL business hours on day one. The authorization letter must include the following: name and address of the prospective buyer; make, model and VIN of the demonstrator vehicle; the demo plate number; and the start and end dates of the demo drive (which may not exceed seven (7) calendar days). The customer must keep the authorization letter in the vehicle at all times and present it to a law enforcement officer upon request.

3. A prospective buyer may use a dealer demo plate with a dealership employee in the vehicle during the dealer's NORMAL business hours.
4. A dealership employee, during NORMAL business hours of the dealership, may use a dealer demo plate for conducting legitimate dealership business.
5. A dealer demo plate may not be used on any vehicle that has been sold and is in the possession of the purchaser, or upon any vehicle leased or rented by such dealer.
6. A dealer demo plate may not be used on vehicles that are being delivered to the purchaser.
7. Owners and employees of the dealer may not operate a demo-plated vehicle for their private purposes or use a demo plate on any commercial vehicle.
8. Demo plates may not be displayed on any of the following vehicles owned by the dealer: tow vehicles, parts pickup/delivery vehicles, service department loaners, courtesy shuttle vehicles, rental vehicles, haulers, or any vehicle bearing the dealer's name or advertisement (other than the small dealer badge normally affixed to the rear of the vehicle, or the license plate holder bearing the dealer's name). Such vehicles shall be titled and registered in the name of the dealership.
9. A dealer demo plate shall not be loaned to charitable organizations for use in charitable activities, parades or shows.
10. A dealer demo plate shall not be loaned or given to any person for use other than prospective buyers for demonstration purposes. "Person" includes, but is not limited to, athletes, coaches, celebrities, media personalities, accountants and lawyers.
11. A lost, stolen or missing dealer demo plate shall be reported within two (2) working days to the local law enforcement agency, and then to the Department of Revenue, Enforcement Business Group, Auto Industry Division. The dealer may replace lost plates through the County Clerks, or in Denver County, the Manager of Revenue. All lost dealer demo plates shall be replaced upon payment of the full fee. A damaged dealer demo plate may be turned in and replaced for the replacement fee.
12. All dealer demo plates must be surrendered immediately to the Department of Revenue, Enforcement Business Group, Auto Industry Division, whenever the dealer, through either a voluntary or involuntary action, ceases to be a motor vehicle dealer. Any dealer demo plates that are not in the dealer's possession shall be reported as lost or stolen to the local law enforcement, and then to the Department of Revenue, Enforcement Business Group, Auto Industry Division.
13. All dealer demo plates owned by a new or used motor vehicle dealer or wholesaler whose license has been suspended by the Colorado Motor Vehicle Dealer Board shall be surrendered to the Department of Revenue, Enforcement Business Group, Auto Industry Division, in compliance with the terms set forth by the Motor Vehicle Dealer Board.
14. A change of dealership operating entity status requires the submission of an original dealer application to the Department of Revenue, Enforcement Business Group, Auto Industry Division. If approved, a new dealer license number with plate authorization will be issued. Once approval is

granted, the dealer license and license plates from the old entity must be surrendered to the Auto Industry Division within ten (10) business days.

15. If a currently licensed entity obtains approval from the Department of Revenue, Enforcement Business Group, Auto Industry Division, for a name change, the Enforcement Business Group, Auto Industry Division and the Motor Vehicle Business Group, Title Section will jointly issue a memorandum of name change to the county clerks. Upon receipt of the memorandum, the county clerks will change the plate registration file to the new licensed name.
16. Dealers shall maintain a record of all dealer demo plates issued to the dealership and the name, address and phone number of the individual authorized to use the demo plates.
17. Any use of a dealer demo plate other than those defined in these rules may

### **Depot License Plates**

The statutory basis for this regulation is C.R.S. 42-3-127(4)(a) and 42-3-132.

The following rules and regulations are promulgated to establish criteria for the issuance and use of depot plates.

### **Requirements**

1. All applicants for depot plates shall complete and submit to the Department of Revenue, Registration Section, an application for the issuance of the depot plates. In addition to the application, all new and used car dealers shall submit a copy of their dealer license; all repair facilities conducting work for a dealership shall submit verification of the working relationship in the form of copies of any contracts, billings, and/or verification on the dealerships letterhead.
2. Depot plates shall be issued only by the Department of Revenue, Registration Section, 1881 Pierce Street, Lakewood, Colorado 80214.
3. Depot plates are issued on a calendar year basis and expire on December 31<sup>st</sup> of each year. All depot plates will have a thirty (30) day grace period for renewal. An annual fee of \$5.00 per plate must be remitted with each application. The fee for replacement of a lost or mutilated depot plate will be \$5.00.
4. Depot plates shall be limited to one plate per mechanic or service technician employed by the repair shop. The owner or authorized representative of the repair shop shall, at the time of application or renewal, verify the number of employees currently on the payroll. Applicants in need of more than one plate per employee must demonstrate an exceptional need for additional plates in order to receive additional allocations. False information on the application or renewal request may result in denial of the application, cancellation and denial of any plates issued, and denial of the licensee's eligibility to obtain such plates for the following three years.
5. A depot plate may be used by the repair facility to transport vehicles to and from the dealer's place of business or storage to the repair facility, or for road testing the vehicle after repair. All movement and road testing of a vehicle shall be accomplished during normal business hours. Movement of a vehicle using a depot plate during other than normal hours, unless specifically authorized by the dealer in writing prior to such use, shall constitute a private use. Movement of a vehicle using a depot plate for any purpose other than those listed above shall constitute a private use.
6. When the vehicle is being repaired or refurbished for a dealer by an independent facility, said dealer shall provide written verification of authorization for repair. The verification shall be in the vehicle, available for inspection by an authorized law enforcement officer any time the vehicle is being

used upon the streets or highways of the state.

7. Depot plates shall be mounted in such a position as to be visible from the back of the vehicle. Depot plates shall not be permanently attached or affixed to any vehicle. Depot plates must be maintained in a clearly legible condition at all times. The Licensee will be served a preliminary warning if the assigned plate is found to be mounted in violation of this paragraph. Failure to take corrective action will result in confiscation of the plate in question.
8. It is the responsibility of the dealer to assure that the vehicle being driven to the repair facility using a depot plate is in a safe, roadworthy condition.
9. Violation of the restrictions and methods of use of depot plates may result in sanctions including loss of plate privileges.
10. Licensees subject to loss of one or more depot plates may request a hearing, in writing, within thirty days of receiving notice of the pending action. If a hearing is not requested within thirty days, the depot plates in question may be suspended. If so, the plate must be surrendered to the Department of Revenue, Registration Section, within ten days of the date of notice of the suspension.
11. Hearing shall be held in the Department of Revenue, Enforcement Business Group, Hearing Section, located at 1881 Pierce Street, Lakewood, Colorado. The presiding hearing officer shall be an authorized representative designated by the Executive Director. The law enforcement officer or Department investigator who submits the documents and affidavit related to the action in question need not be present at the hearing unless his or her presence is required by the presiding officer, or requested by the Licensee at the time the written request for hearing is submitted. If the law enforcement officer or investigator is not present at the hearing, the written documents and affidavit submitted by the officer or investigator may be used by the hearing officer.
12. Lost or stolen Depot plates shall be reported within seventy-two (72) hours to the local law enforcement agency and the Department of Revenue, Motor Vehicle Business Group, Registration Section. All Depot plates shall be replaced for the original statutory fee of \$5.00.
13. Whenever the repair shop or dealership for which repair work was being performed ceases to operate or whenever the appropriate dealers license has been suspended, denied, revoked, or expired, all depot plates issued to such business must be surrendered within seventy-two (72) hours to the Department of Revenue, Motor Vehicle Business Group, Registration Section. The Department will not rebate any portion of the original fee paid when the plates are surrendered.

### **In-Transit License Plates**

Basis: The statutory basis for this regulation is C.R.S. 42-1-204 and 42-3-127 (4)(b).

Purpose: The following rules and regulations are promulgated to clarify the criteria for issuance and use of in-transit plates.

### **Requirements**

In-transit plates may be obtained by a duly licensed new or used motor vehicle dealer, wholesaler, or a wholesale motor vehicle auction from the County Clerk in the county where the business is located or, if in Denver County, from the Manager of Revenue.

New or used motor vehicle dealers, wholesalers, and wholesale auctions may purchase as many in-transit plates as needed upon submission of a copy of their valid dealer's or wholesaler's license.

The following rules are promulgated to clarify the use of in-transit plates:

Any licensed Colorado new or used motor vehicle dealer or wholesaler may use an in-transit plate in intra-state and inter-state transport of motor vehicles owned by said dealer or wholesaler.

Any licensed Colorado wholesale auction may use in-transit plates in intrastate and inter-state transport of motor vehicles consigned to be sold by said auction.

In-transit plates may NOT be used upon any vehicle being offered for sale and operated by a prospective buyer for demonstration purposes unless the wholesaler or authorized auto auction representative is also present in the vehicle.

In-transit plates may NOT be used upon any vehicle which is not owned by a new or used motor vehicle dealer, wholesaler, or in the case of the wholesale auto auction, any vehicle which is not consigned to said auction. In any case, use of the in-transit plate on a motor vehicle for commercial purpose other than to profit from the sale of said vehicle is strictly forbidden.

In-transit plates may NOT be used on any vehicle which has been sold and is in the possession of the purchaser;

Vehicles may be transported using in-transit plates from point of purchase to the point of storage, or from the point of storage to the point of sale;

In-transit plates may NOT be used for private or personal use by anyone, which includes the owner or employees of the applicant.

All vehicles being moved using an in-transit plate shall be in a safe roadworthy condition.

The cost of in-transit plates shall be the same as authorized in section 42-3-134 (10) for dealer plates.

Any lost, stolen, missing in-transit plates must be reported to the local law enforcement agency within twenty four (24) hours. A lost in-transit plate shall be replaced at full fee. A damaged in-transit plate may be turned in and replaced for the replacement fee.

All in-transit plates must be surrendered by the applicant within two (2) working days to the Department of Revenue, Enforcement Business Group, Auto Industry Division, whenever the applicant's business ceases operation; if the plates are not in the possession of the applicant, an affidavit must be furnished to the Department of Revenue, Enforcement Business Group, Auto Industry Division, so stating, in order that the missing plates can be denoted on the appropriate motor vehicle and law enforcement files.

All in-transit plates must be surrendered by the applicant within two (2) working days to the Department of Revenue, Enforcement Business Group, Auto Industry Division, whenever the dealer's license has been suspended or revoked by the Colorado Motor Vehicle Dealer Board.

If the ownership of the business possessing in-transit plates changes, the plates must be turned in by the applicant within two (2) working days to the Department of Revenue, Enforcement Business Group, Auto Industry Division, and new plates secured.

Any name change shall be reported to the Department of Revenue, Enforcement Business Group, Auto Industry Division, within ten (10) working days. After receipt and review, a license authorization will be issued which reflects the new name. The authorization shall be presented to the County Clerk, or in Denver County, the Manager of Revenue, who shall transfer the current plates into the new name.

### **Temporary Registration Permits**

Basis: The statutory basis for this regulation is 42-3-124 (3) (b) and 42-3-132 (2).

Purpose: The following rules and regulations are promulgated to clarify the issuance and use of temporary registration permits by licensed Colorado motor vehicle dealers, wholesalers, and wholesale motor vehicle auctions.

## **Requirements**

Permits may be purchased by licensed new and used motor vehicle dealers, wholesalers, and wholesale motor vehicle auctions from the County Clerks in the county where the business is located or, if in Denver County, the Manager of Revenue.

Dealers, wholesalers, and wholesale motor vehicle auctions may NOT purchase permits on an individual basis at the block rate. Dealers, wholesalers, and wholesale motor vehicle auctions wishing to purchase less than twenty-five (25) permits must pay the individual permit rate applicable to the general public.

Permits may be issued by a licensed Colorado new or used car dealer, wholesaler, or wholesale motor vehicle auction only upon consummation of a sale. Dealers shall not loan, give, borrow, sell, exchange or issue permits for or with another dealer, individual, business, company or corporation.

The following time constraints shall be observed when issuing the permit:

1. A 45-day temporary permit may be issued upon the sale of a motor vehicle by a new or used motor vehicle dealer to a consumer.
2. A temporary permit may be issued for a maximum of seven (7) days upon the sale of a motor vehicle by a new or used motor vehicle dealer, wholesaler, or wholesale motor vehicle auction to another dealer. Said permit shall only be used to facilitate the delivery or movement of the vehicle from the point of sale or storage to the new owner's place of business or storage. Said permit shall be considered expired upon receipt of the vehicle at the new owner's designated location.

Permits are valid for either forty-five (45) or a maximum of seven (7) days only, depending upon the specific transaction as defined in item C. Said time periods shall commence with the date of issuance. PERMITS ARE NOT RENEWABLE, but when circumstances warrant, subsequent permits may be obtained by the consumer from the County Clerk or, in Denver county, from the Manager of Revenue. The expiration date of this permit must be in LARGE BOLD NUMERALS, completely using the space provided. In addition, DO NOT use a rubber stamp in this portion of the form, but rather use a wide permanent BLACK marking pen or BLACK crayon marking pencil. In any event, the expiration date must be in a larger area and in heavy print so that it is easily and readily visible. Impressions of figures must be complete and very black.

Permits shall not be issued to vehicles which are sold as "Tow Away" or to vehicles which are not roadworthy.

Proof that the dealer, wholesaler, or wholesale motor vehicle auction has sold the vehicle to the individual or business whose name appears on the permit must be placed and retained in the car at all times when operated using a temporary permit.

Permits are not to be used to demonstrate cars, transport, or deliver new cars from the factory to a dealer.

Permits may be affixed on the lower left hand corner of the rear windows, or if the vehicle is a convertible or truck on which rear windows are obscured, in the lower right corner of the windshield. (Permits are always placed on the inside.) Permits properly mounted and clearly visible, when enclosed in a transparent weatherproof covering, may be attached to the rear of the vehicle in the place and manner provided for attaching a rear license plate. (This is an optional method and the previous method of affixing

permits applies in all cases other than outlined above.)

Temporary registration permits must have a 3-part permit registration (stub) completely filled in and distributed as follows:

1. The pink copy (owner's copy) shall be presented to the purchaser with the permit.
2. The white copy (state copy) shall be mailed on the date of issuance to the Department of Revenue, Motor Vehicle Business Group, Traffic Records Section, 1881 Pierce Street, Lakewood, CO 80214.
3. The yellow copy (dealer copy) must be retained by the dealer, completely filled in and properly filed for easy reference.

The dealer, wholesaler, or wholesale motor vehicle auction shall complete all the information required on the face of the permit to include the date of expiration. Strike over and corrections are not allowed on the face of the permit. Error corrections will require the issuance of a new permit. Permits invalidated due to an error shall have the word VOID printed across the face and be filed with the dealer stubs.

Applicant must report lost, stolen, or missing permits to the local law enforcement agency and the Department of Revenue, Enforcement Business Group, Auto Industry Division within two (2) working days.

All permits must be surrendered immediately to the Department of Revenue, Enforcement Business Group, Auto Industry Division, whenever the dealer, wholesalers, or wholesale motor vehicle auction license has been suspended or revoked by the Colorado Motor Vehicle Dealer Board.

### **Transporter License Plates**

Basis: The statutory reference for this regulation is C.R.S. 42-3-127 (1), 42-3-132(2) and 42-3-134 (10)(a) & (b).

Purpose: The following rules and regulations are promulgated to establish criteria for the issuance and use of transporter plates.

### **Requirements**

All applicants for transporter plates shall complete and submit to the Department of Revenue, Motor Vehicle Business Group, Registration Section, an application for the issuance of transporter plates. The number of plates issued shall be based on the number of contracts the company has or the maximum number of plates consistently utilized during the last year. Receipt of complaints and/or abuse of transporter plates may result in the Department requesting a review of the company's books and records.

Transporter plates shall be issued only by the Department of Revenue, Motor Vehicle Business Group, Registration Section, 1881 Pierce Street, Lakewood, CO 80214.

Transporter plates are issued on a calendar year basis and will expire on December 31st of each year. All transporter plates will have a thirty (30) day grace period for renewal. An annual fee of \$30.00 for the first plate and \$10.00 for each additional plate shall be remitted with each application. The fee for replacement of a lost or mutilated transporter plate will be \$10.00.

Lost or stolen transporter plates shall be reported within seventy-two (72) hours to the local law enforcement agency and the Department of Revenue, Motor Vehicle Business Group, Registration Section.

All transporter plates must be surrendered within seventy-two (72) hours to the Department of Revenue, Motor Vehicle Business Group, Registration Section, whenever the drive-away or tow-away transporter ceases to operate. The Department will not rebate any portion of the original fee paid when the plates are surrendered.

It is the responsibility of the transporter to assure the vehicle being driven while displaying a transporter plate is in a safe, roadworthy condition.

A vehicle displaying a transporter plate shall either be driven, towed, transported singly, saddlemount, towbar, fullmount, or any lawful combination.

Vehicles being transported cannot be owned by the transporter, or be owned by an individual or corporation in which the transporter has any interest whatsoever.

Transporter plates shall not be used for private purposes.

Transporter plates shall be mounted in such a position as to be visible from the back of the vehicle. Transporter plates must be maintained in a clearly legible condition at all times.

When traveling in a convoy, each vehicle must display a transporter plate.

No transporter shall permit such plates to be used on any vehicle that is not intransit, or to be used by any other person, or upon any work or service vehicle, including service vehicles utilized regularly to haul vehicles.

### **Payment of Specific Ownership Taxes on Special Mobile Equipment Rentals**

Basis: The statutory basis for this regulation is C.R.S. 42-3-107 )(16).

Purpose: The purpose of this regulation is to provide guidelines to special mobile machinery dealers/rental companies on the collection of specific ownership tax for equipment which is rented to others, and paid for by the alternative two percent method.

### **Definitions**

Owner - Any mobile machinery or self-propelled construction equipment dealer regularly engaged in the sale, rental, or both sale and rental, of mobile machinery or self-propelled construction equipment.

### **Requirements**

1. Equipment rented for less than thirty (30) days in any calendar year shall not be able to pay by the alternate method but shall be required to pay according to the full year schedule.
2. The owner shall submit the completed Authorization Request Form and the Permit to Collect Sales Tax on the rental or lease basis, to the County Clerk and Recorder, or in Denver County, the Manager of Revenue, in the county where their principal place of business is located.
3. The owner shall include on the authorization request the sales tax number of any companies in which they own an interest or share.
4. Authorized owners shall apply to the local county motor vehicle office for the current year's rental decals. The fee for each decal shall be \$5.00. Said decal shall be affixed in a clearly visible location upon the equipment.
5. The authorized owner shall within seven (7) days after affixing the rental decal, report the registration

information to the county motor vehicle office where the decal was obtained. Such report may be made in person, by mail, or by facsimile machine, but in all cases shall be in writing.

6. The owner shall no later than the twentieth (20) day of each month submit the authorized Special Mobile Machinery (SMM) rental/lease Equipment monthly decal report, together with the remittance of all taxes collected for the preceding month, to each county where the equipment is or was being used. If a report was not submitted to the county where the decals were obtained, an additional copy of the report shall be transmitted to said county. In addition, the owner shall submit a copy of the SMM rental/lease equipment monthly decal report and the combined Retail Sales Tax Return to the Colorado Department of Revenue, Taxpayer Service Division, 1375 Sherman St. Denver, Co. 80261.
7. The owner shall- include on the SMM rental/lease equipment monthly decal report all equipment with assigned decals which were not rented during the reporting period.
8. The owner shall include on the SMM rental/lease equipment monthly decal report all equipment with an assigned decal that was sold, and indicate the name and address of the purchaser. Before transporting or delivering any equipment which has been sold, the owner shall remove all rental decals.
9. It shall be the responsibility of the owner who placed the rental decal on the equipment to accumulate and report the data and pay all two (2) percent fees due to the proper county in which the equipment was used.
10. Equipment which is dual rented during the same time period by two owners who are both authorized to pay the two (2) percent fee shall require the collection and reporting of the two (2) percent fees on both rentals.
11. The two (2) percent method of payment shall not be used by the owner for equipment that is rented or leased to another company or corporation in which the owner has an interest.
12. No credit shall be allowed for prepaid two (2) percent rental fees.
13. Willful failure to comply with these rules and regulations will result in cancellation of the owner's right to pay the two (2) percent fees in lieu of specific ownership tax.

### **Special Interest License Plates**

The statutory basis for this regulation is 42-3-122 C.R.S.

The purpose of this regulation is to provide procedures for the application and issuance of Special Interest License Plates.

### **Definitions**

1. "Special Interest License Plate" - means a number plate on which appears appropriate symbols and wording designated by the Department of Revenue as a result of a request by specific individuals or groups representing an organization.

### **Requirements**

1. Special Interest License Plates must be designed within the formats established by the Department of Revenue.
2. The Department of Revenue, Registration Section, will accept application letters for Special Interest

License Plates once annually, during the month of March.

3. At any time, upon request, the Department of Revenue, Registration Section, will provide an information packet which will include: Procedures for requesting the creation of a Special Interest License Plate and guidelines for design criteria.
4. All application letters made to the Department in the month of March shall include the proposed design and color scheme.
5. All application letters submitted to the Department during the month of March will be approved or denied no later than May 31st of that year.
6. The Department of Revenue may deny any application request which may carry connotations offensive to the average citizen or which would be misleading.
7. Upon approval of an application, the name and address of two hundred and fifty (250) individuals requesting the Special Interest License Plate must be provided, in writing, to the Department of Revenue, Registration Section, on forms provided by the Department, no later than sixty (60) days after an application request has been approved by the Department.
8. At the end of twenty four (24) months from the implementation of a Special Interest License Plate, there shall be two hundred and fifty (250) active registrations for each Special Interest License Plate. If any Special Interest License Plate type has less than two hundred and fifty (250) active registrations, the Department has the right to recall all such plates.
9. Approved Special Interest License Plates shall be implemented once per year in the month of January.
10. Special Interest License Plates shall only be issued to individuals who are residents of the state of Colorado.
11. Special Interest License Plates shall only be issued to passenger vehicles and light truck vehicles that weigh less than 16,000 pounds empty weight and motor homes.
12. All approved applicants shall be required to affirm, in writing, agreement to these rules and regulations.
13. The applicant shall prepay all design costs before plate production will commence.
14. An additional fee, either one time or continuing, may be charged by the Department to offset the cost of issuance of the Special Interest License Plates. These costs shall include, but may not be limited to, the costs of issuance, programming, and maintenance of the Special Interest License Plate file.

**Regarding the Annual Registration of All Vehicles Owned By the State of Colorado or Any Agency or Institution Thereof**

Basis: The statutory reference for this regulation is 42-1-204 and 42-3-104 (4).

Purpose: The purpose of this regulation is to set forth procedures to be followed by state departments, city and county agencies for titling, registering, and renewing vehicles on an annual basis.

**General Requirements for State Vehicles**

All vehicles and equipment owned by the State of Colorado or any agency thereof that are subject to registration shall be registered and renewed annually.

Each department shall appoint one individual to serve as the vehicle coordinator or contact person with the Department of Revenue, Motor Vehicle Business Group, Registration Section.

All vehicles and equipment owned by the State of Colorado or any agency thereof shall be registered with the Department of Revenue, Motor Vehicle Business Group, Registration Section, 1881 Pierce St., Lakewood, CO.

All state plates will be issued by the Department of Revenue, Motor Vehicle Business Group, Registration Section.

Proof of emission compliance for each vehicle within the air program area shall be submitted with each request for registration.

All departments within the State of Colorado have from January 1, 1993, through December 31, 1993 in which to bring all of their vehicles into compliance.

Effective July 1, 1992, the Division of Central Services is responsible for titling newly purchased vehicles for all departments, which shall include all two and four wheel drive trucks, three quarter ton and smaller, all passenger vehicles including cars, vans, station wagons and other similar passenger vehicles. It is the responsibility of the specific departments to title/register and renew those vehicles that do not fall within the above mentioned categories.

#### **General Requirements City and County Vehicles**

All vehicles and equipment owned by any city and county that are subject to registration, shall be registered and renewed annually.

City or county owned vehicles shall be titled in the name of the city or county or have prior departmental approval before city or county plates may be issued.

All vehicles and equipment shall be registered with the county motor vehicle office in the county in which the city or county is located.

Proof of emission compliance for each vehicle within the air program area shall be submitted to the county clerk, or in Denver County, the Manager of Revenue, with each request for registration.

All cities and counties within the State of Colorado have from January 1, 1993, through December 31, 1993 in which to bring all of their vehicles into compliance.

#### **Titling and Registering State Vehicles**

All vehicles subject to titling must be titled prior to registration.

For any vehicle that is leased for over six (6) months by a department from the Division of Central Services, it is the responsibility of that department to handle the annual renewal of that vehicle.

For vehicles currently titled/registered, requiring registration only, a copy of the Colorado Title shall be submitted to the Department of Revenue, Motor Vehicle Business Group, Registration Section.

Applications for vehicles to be titled/registered after January 1, 1993, shall be submitted to the Department of Revenue, Motor Vehicle Business Group, Registration Section for processing.

Applications for title/registration, accompanied by the \$6.50 title fee, may be submitted for processing in groups of twenty-five (25) or less.

All vehicle titles issued after January 1, 1993 for state owned vehicles, shall show the owner as State of Colorado.

The address on titles issued after January 1, 1993 shall be the address of the owner, which will be of The Division of Central Services, with the exception of exempted vehicles, which shall show the address of the specific department which owns the vehicle.

On vehicles titled prior to January 1, 1993, the owner's name may remain as it currently reads on the title, and will not be required to be changed to read State of Colorado.

No fee will be charged for replacement of lost state plates or tabs.

In order to promote consistency on the computer file, the vehicle registration will read as follows:

State of Colorado (Department of \_\_?\_\_)(Address of the Department)

### **Titling and Registering City and County Vehicles**

All vehicles subject to titling must be titled prior to registration.

For vehicles currently titled/registered, requiring registration only, a copy of the Colorado title shall be submitted to the county motor vehicle office.

Applications for title/registration on newly purchased vehicle, accompanied by the \$6.50 title fee, shall be submitted to the county motor vehicle office for processing.

All vehicle titles issued after January 1, 1993, shall show the owner as the name of the city or county; i.e., Grand County, Boulder County, City of Boulder.

### **Manufacturer License Plates**

Basis: The statutory basis for this regulation is C.R.S. 42-3-127 (4)(b) and 42-3-134 (9)(b).

Purpose: The following rules and regulations are promulgated to establish criteria for the issuance and use of manufacturer plates.

### **Requirements**

In all cases the applicant shall complete and submit a Department approved application to the Department of Revenue, Enforcement Business Group, Auto Industry Division.

The number of plates authorized for purchase by each manufacturer shall be governed by the following criteria and the manufacturer's compliance with the criteria shall be certified to by a duly authorized representative of the manufacturer.

1. New manufacturers and factory branch allocations.
  - a. Each licensed manufacturer, which has at least one licensed representative, shall be authorized a minimum of three plates upon proof of Colorado titles applicable for the vehicles on which the plates are to be used.
  - b. Each licensed factory branch located within the boundaries of the state shall be authorized a minimum of three plates upon proof of Colorado titles applicable for the vehicles on which the plates are to be used. The branch must have at least one licensed representative.

- c. Each small trailer manufacturer, with at least one representative, shall be authorized a minimum of three plates upon proof of Colorado titles applicable for the vehicles on which the plates are to be used.
- d. Additional manufacturer plate authorizations during the initial application year shall be issued on a per vehicle basis. Applicants wishing to obtain additional manufacturer plates shall present to the Department of Revenue, Enforcement Business Group, Auto Industry Division, proof of Colorado title applicable for the vehicle on which the plate is to be used. Each titled vehicle shall be entitled to one plate authorization.

2. Renewal of manufacturers and factory branch allocations.

- a. Authorizations for manufacturer plates when renewing shall be based on the number of vehicles the manufacturer has titled in Colorado at the time of the application for renewal. Each titled vehicle shall be entitled to one plate authorization.
- b. Applicants who need to obtain additional manufacturer plates during the year shall present to the Department of Revenue, Enforcement Business Group, Auto Industry Division, proof of Colorado title applicable to the vehicle on which the plate is to be used. Each titled vehicle shall be entitled to one plate authorization.
- c. The Director of the Department of Revenue or his designee shall have the right to request supporting documents to verify the validity of the number of plates requested.

Vehicles bearing manufacturer plates must be owned by and titled in Colorado to the manufacturer or its factory branch. Operating a vehicle with manufacturer plates on a manufacturer's certificate of origin is NOT permitted. Colorado title must be obtained.

The driver of a vehicle bearing a manufacturer license plate shall have in his or her possession the receipt for application for a Colorado Title. Said validated receipt shall serve as the registration and insurance verification.

Additional vehicles owned and operated by a manufacturer or its branch are considered commercial and are subject to normal Colorado registration procedures and fees.

Verification of employment and authorizations for use shall be in written form on the manufacturer's letterhead and shall be in the driver's possession at all times when the vehicle is being operated on the highways in Colorado.

Vehicles bearing Colorado manufacturer plates must be principally operated and maintained in the State of Colorado. The receipt for title application must show a Colorado address. Manufacturer-owned vehicles operated and maintained principally in other states are subject to the licensing and registration requirements of those states.

No markings or advertising may appear on manufacturer-plated vehicles except those in the name of the manufacturer.

Manufacturer-plated vehicles are not to be used for demonstration purposes with the retail public. Demonstration rides are reserved for dealer plated vehicles of licensed motor vehicle dealers.

Manufacturer plates are NOT authorized on any vehicle which has been sold, leased, or rented by the manufacturer.

Lost or stolen manufacturer plates must be reported to a local law enforcement agency and the Department of Revenue, Enforcement Business Group, Auto Industry Division, within seventy-two (72)

hours. The manufacturer may replace lost or stolen plates through the Department of Revenue, Enforcement Business Group, Auto Industry Division, or its designated agent after completing and filing an affidavit of lost or stolen plates. The plates shall be replaced at the statutory fee for plates in excess of five. Damaged plates must be returned to the Department of Revenue, Enforcement Business Group, Auto Industry Division or its designated agent and shall be replaced for a \$10 processing fee.

All Manufacturer plates must be surrendered to the Department of Revenue, Enforcement Business Group, Auto Industry Division, within seventy-two (72) hours if the manufacturer ceases to operate and sell motor vehicles in Colorado, or whenever the appropriate license has been suspended, denied, revoked, or expired.

## **Dealer Title**

Basis: The statutory basis for this regulation is 42-6-111, C.R.S.

Purpose: The purpose of this regulation is to provide guidelines to motor vehicle dealers or wholesalers for proof of ownership and the requirements for the processing of certificates of title.

## **Definitions**

“Agent for a Dealership” - means any individual authorized by a dealership to act in behalf of that dealership.

“Manufacturer” - means any person, firm, partnership, corporation or association, resident or nonresident, engaged in the manufacturing or assembling of new motor vehicles, trailers, trailer coaches or semitrailers.

“Manufacturer's Certificate of Origin” (MCO) - means the document provided by the manufacturer which sets forth the manufacturer's vehicle description and 17 digit vehicle identification number. Said document is used to convey ownership from the manufacturer to the franchised dealer and from the franchised dealer to the consumer.

“One Working Day” - means a 24-hour period beginning and ending at 3:00 p.m. Monday through Friday, with the exception of those days designated as official state holidays by statute or Executive Order of the Governor.

“Short Check” - means a check that has been returned to the Department for insufficient funds, and which would be subject to additional fees as required in C.R.S. 16-7-404.

“Letter of Authorization” - means a letter on dealership or wholesaler's letterhead from a designated representative of a dealership to the Department authorizing specific persons to act as agents in behalf of their dealership or the wholesaler.

## **Proof of Ownership Requirements**

Dealers or wholesalers required proof of ownership - All Colorado dealers must have the following evidence of ownership for every motor vehicle in their possession:

1. A used vehicle with a Colorado title:
  - a. A Colorado title assigned to the dealership, wholesaler, or chain of ownership evidenced by the Colorado Dealer's Bill(s) of Sale for a Motor Vehicle.
  - b. Odometer disclosure if required.

2. A used vehicle with an out-of-state title:
  - a. The out-of-state title assigned to the dealership, wholesaler, or out-of-state title with proper chain of ownership.
  - b. Odometer disclosure if required.
  - c. Colorado Dealer's Out-of-State Vehicle Information Disclosure.
  - d. Verification of vehicle identification number.
3. A new vehicle assigned by MCO to a licensed Colorado dealer. (No dealer shall hold a MCO unless he is enfranchised to sell that specific make of vehicle):
  - a. Manufacturer's Certificate of Origin (MCO) assigned or reassigned to the franchised dealership.
  - b. Odometer disclosure if required.
4. A new vehicle assigned by MCO from an out-of-state enfranchised dealer to an enfranchised Colorado dealer. (No dealer shall hold a MCO unless enfranchised to sell that specific make of vehicle):
  - a. Manufacturer's Certificate of Origin (MCO) reassigned to the enfranchised dealership.
  - b. Odometer disclosure if required.
  - c. Verification of vehicle identification number.
5. If a title or an MCO has been surrendered by the dealer or wholesaler to a bank or financing organization or any other person as collateral, the dealer or wholesaler must have in his possession evidence acceptable to the Director of the location of the title or the MCO. The dealer's or wholesaler's right to ownership shall be clear from such evidence. The title or MCO must be procured by the dealer or wholesaler upon the sale and delivery of the vehicle and delivered or mailed to the purchaser or chattel mortgage company within thirty (30) days.
6. Vehicles with incomplete or insufficient titles shall be marked "Not for Sale" and withheld from any public offering.
7. Vehicles held by dealers or wholesalers to be junked or parted out must be marked "JUNK" on the face of the title. The "JUNK" notation is to be dated and identified as to who declared the vehicle junk. The title must be submitted to the Department of Revenue, Motor Vehicle Business Group, Title Section, 1881 Pierce Street, Lakewood, Colorado 80214. A photocopy of the title marked "JUNK", either in the name of the dealership or wholesaler or assigned to the dealership or wholesaler, shall be kept with the vehicle to serve as proof of ownership. The purchaser of any component parts which are identified with a vehicle identification number shall be given a photocopy of the "JUNK" title with the sales receipt."
8. Inspections will be made of all titles and vehicles in dealer's or wholesaler's stock and those vehicles not having proper or complete titles will be impounded on the dealer's or wholesaler's lot until proper evidence of ownership is in the dealer's or wholesaler's possession.

### **Requirements for Obtaining Titles in One Working Day**

Securing Certificates of Title - Licensed Colorado Motor Vehicle Dealers and Wholesalers may obtain a "Dealer Resale, No Sales Taxes Paid" title in the licensed name of the dealership or wholesaler within

one working day at the Department of Revenue, Motor Vehicle Business Group, Title Section in certain instances and upon payment of the proper fee (\$25).

All dealers or wholesalers requesting one day service shall submit a letter of authorization to the Department, listing names of all persons that will be acting as agents in their behalf. All authorization letters will be kept on file at the Department. It shall be the responsibility of the requesting dealer or wholesaler to notify the Department of any changes in agents.

The agent shall be required to present personal picture identification at the time of application and upon receipt of a certificate of title. The agent shall sign verifying receipt of the certificate of title.

Agents representing several dealerships or wholesalers must have authorization from each individual dealership.

### **Requirements for Acceptance of Applications**

1. Applications will be accepted when:

The supporting ownership document is a Manufacturer's Certificate of Origin (MCO) assigned to a licensed Colorado dealer.

The supporting ownership document is a title assigned to a licensed Colorado dealer or wholesaler.

The supporting ownership document is a salvage title for a vehicle that has been made roadworthy and is being submitted for a dealer title in the dealership or wholesaler's name.

2. Applications must be free and clear of all liens and encumbrances.

3. All applications must be complete and all documents in the proper order, or they shall be subject to rejection.

4. The intent is to provide one-day service to all dealerships and wholesalers. The Department has established a limit of a maximum of three (3) title applications per day. The Department reserves the right to modify the quantity limitations.

### **Processing Timeframes**

Applications submitted prior to 3:00 p.m. of the first working day may be picked up after 3:00 p.m. of the next working day.

One working day processing is contingent upon applications clearing computer edits, document review, and extraordinary circumstances beyond the control of the Department.

Overnight mail service will be accepted. Prepaid return envelopes must be provided to ensure return of certificates of title by overnight service. Otherwise, all other titles will be mailed by First Class Mail.

Titles not picked up by the eight (8th) working day after the printing of the title will be automatically mailed by First Class Mail.

Only titles applied for at the State Office may be picked up in person. Titles applied for at county offices will be mailed by First Class Mail.

### **Duplicate Certificates of title**

Only licensed Colorado new and used motor vehicle dealers may, at the Department's discretion, obtain duplicate certificates of title directly from the Department of Revenue, Title Section.

Licensed New or Used Motor Vehicle dealers may obtain duplicate certificates of title for vehicles that have been "traded-in" to them, but the owner has lost, misplaced, or accidentally destroyed the certificate of title.

The licensed new or used motor vehicle dealer must provide a power of attorney from the previous owner and the vehicle must be in the dealer's possession before application will be accepted.

Certificates of title showing an active recorded lien will be mailed to the lien holder. However, if a proper lien release is submitted with the duplicate application, the satisfied lien will be removed from the duplicate.

## **Payment**

Applications will not be processed until payment is made.

Any check returned for insufficient funds (short check), will require any and all future payments by that dealership to be made by cash or certified funds.

Refunds will be processed at the discretion of the Department.

## **Rules and Regulations Concerning the Payment of Specific Ownership Taxes On Vehicles Designated as Class B or Class C Personal Property Which Are Rented To Others**

The statutory basis for this regulation is C.R.S. 42-3-107 (11)(a) & (12) (a). The purpose of this regulation is to provide guidelines to rental companies on the collection of specific ownership tax for vehicles which are rented to others, and paid by the alternative method provided in the mentioned statutes.

## **Definitions**

1. Owner - Any person, firm, corporation, or other business entity who owns vehicles which are based in Colorado for rental purposes and whose primary business is the rental of such vehicles for periods of less than forty-five days, including renewals.

## **Requirements of Vehicle Rental Companies**

1. Only vehicles rented for periods of less than forty-five (45) days may pay specific ownership tax by the 2% payment method. Lease vehicles may not be included in this program.
2. The owner shall submit the completed forms for Authorization Request and the Permit to Collect Sales Tax on a Rental or Lease Basis, to the authorized agent in the county where the vehicles are rented.
3. The Authorization Request shall include the name of the vehicle owner and the name of the rental company if they are different. The name of the rental company shown on the Authorization Request must be the same as it appears on the form, Permit to Collect Sales Tax.
4. The owner shall renew the Authorization Request annually. Failure to renew the Authorization Request annually will result in the cancellation of the owner's right to pay specific ownership tax by this method. Cancellation will require specific ownership tax to be paid by the regular procedure as defined in 42-3-107 (8) & (10).
5. The owner, upon receiving authorization approval from the County Motor Vehicle Office, shall collect

from the user of a rental vehicle the specific ownership tax in an amount equivalent to 2% of the amount of the rental payment, or portion thereof, which is subject to the imposition of sales tax pursuant to the provisions of Part 1 of Article 26 of Title 39, C.R.S. Such specific ownership tax shall be collected on all vehicles owned by the owner which are rented from a place of business in Colorado.

6. Any owner collecting ownership tax using the 2% method shall title and register vehicles in the county where the vehicles are initially assigned for rental.
7. The owner shall, no later than the twentieth (20th) day of each month, submit the Monthly Vehicle Rental Report, together with the remittance of all taxes collected for the preceding month, to the County Motor Vehicle Office in the county where the vehicles are rented. In addition, the owner shall submit a copy of the Monthly Vehicle Rental Report and the Combined Retail Sales Tax Return, to the Colorado Department of Revenue, Taxpayer Service Division, 1375 Sherman St., Denver, CO 80261.
8. The owner shall indicate monthly on the Monthly Vehicle Rental Report, all rental vehicles of the owner, rented from a place of business in Colorado, regardless of whether those vehicles were rented during the preceding month.
9. The owner shall report monthly, all vehicles that were sold, either by them or through consignment to an auction company, and indicate name and address of purchaser.
10. No credit shall be allowed for 2% specific ownership taxes previously submitted.
11. If the owner is found to have failed to remit the specific ownership taxes within the established time frames, or to comply with these rules and regulations, the County Clerk shall cancel the owner's right to collect taxes in this manner as defined in 42-3-107 (11) (d), and may collect delinquent taxes as defined in 42-3-107 (20).
12. In addition, failure by the owner to pay taxes as required by law may also subject the owner to a penalty as required in C.R.S. 42-3-111.
13. Any owner that is cancelled from this program may no longer pay ownership taxes by the 2% method anywhere in Colorado and will be required to pay specific ownership taxes by the regular procedure as defined in 42-3-107 (8) & (10).

### **Dealer Full Use License Plates**

The statutory basis for this regulation is § 42-3-127 (4) (b), C.R.S.

The following rules and regulations are promulgated to establish criteria for the issuance and use of full-use dealer plates.

### **Definitions**

1. Closure - Voluntary closure by the dealer owner, permanent or temporary closure by order of the Colorado Motor Vehicle Dealer Board, or any failure to maintain the required place of business or business address.
2. "Offered for sale" - a vehicle is deemed to be offered for sale when the following requirements are met:
  - a. Title to the vehicle has been properly assigned to the dealership, or if a new motor vehicle, evidence of a manufacturer's certificate of origin (mco) for the vehicle; and

- b. The vehicle is identified on the dealership inventory list maintained by the dealership and offered for sale.
- 3. "Legitimate business interest" -
  - A. One or more specific and identifiable reasons as to why the use of a full use plated vehicle by a person serves the bona fide business needs of the dealership or motor vehicle wholesale business; and
  - B. Use of the vehicle is in exchange for services benefiting the bona fide business needs.

### **Requirements**

1. Every license year, all applicants for full-use dealer plates shall complete and submit to the Department of Revenue, Enforcement Business Group, Auto Industry Division, a Dealer Plate Affidavit in order to receive approval for purchase of full-use dealer plates. Once authorized for a license year, dealers or wholesalers have no restrictions on the number of full-use dealer plates they may purchase.
2. Full-use dealer plates may be obtained by a duly licensed new or used motor vehicle dealer or wholesaler, from the county Clerk in the county where the dealership is located, or in Denver County, from the Manager of Revenue.
3. Any dealer or wholesaler changing names shall report the new name to the Department of Revenue, Enforcement Business Group, Auto Industry Division. Upon approval, the Auto Industry Division will provide the dealer with a name change affidavit that shall be presented to the County Clerk, or in Denver County, the Manager of Revenue, who shall transfer the dealer plates into the new dealership name.
4. If a dealer or wholesaler changes operating entity (individual to partnership, corporation, LLC or other variations), an original application must be filed with the Colorado Motor Vehicle Dealer Board. Upon approval, a new dealer license with plate authorization will be issued. Full-use dealer plates belonging to the replaced entity must be surrendered to the Department of Revenue, Enforcement Business Group, Auto Industry Division. New full-use dealer plates must be purchased in the new entity name.
5. The full-use dealer plate registration in the name of the dealership must be maintained in the vehicle bearing such plate, or taped to the back of the plate, or in the possession of the driver.
6. A copy of dealer proof of ownership (such as MCO, dealer title, title assigned to dealership) must be maintained in the motor vehicle being driven on a full-use dealer plate.
7. A lost, stolen, or missing full-use dealer plate shall be reported within two (2) working days to the local law enforcement agency. Lost plates may be replaced through the County Clerk, or in Denver County, the Manager of Revenue upon submission of a police report and the payment of a \$5.00 replacement fee. The County Clerk will submit the copy of the police report to the Department of Revenue, Enforcement Business Group, Auto Industry Division for notation on the appropriate motor vehicle and law enforcement files.
8. Dealers shall maintain a record of all full-use dealer plates issued to the dealership and the identification of the vehicle and person in possession of each plate. The dealer shall further maintain proof of ownership and an inventory list of all vehicles available for sale. Such records shall be made available upon request of the department.
9. Full-use dealer plates cannot be displayed on vehicles that are used by the dealership for any

commercial purpose. Such vehicles shall be titled and registered in the name of the dealership.

10. Whenever a dealer ceases to be a dealer due to closure as defined above, any plates that are not in the dealer's possession shall be reported on an affidavit and submitted to the Department in order that the missing plates can be denoted upon the appropriate motor vehicle law enforcement files.

## **Private and Public Tow Requirements for Abandoned Vehicles**

### **1. Definitions**

- a. **Department** - Means the Department of Revenue, Motor Vehicle Business Group (MVBG).
- b. **Operator** - Means a person or firm licensed by the Public Utilities Commission (PUC) as a towing operator, which includes auto parts recyclers that tow vehicles for remuneration.

2. **Time Frames** . All time frames set forth herein begin with the commencement of the tow in the case of nonconsensual tows. Time frames for consensual tows begin when the owner of record breaches an agreement with the operator to claim the vehicle. The abandoned vehicle procedure must continue uninterrupted and only terminate with the release, sale or disposal of the vehicle.
3. **Notification of the Department** . The requirement for notification to the Department by an operator upon taking possession of a vehicle abandoned on private property shall be satisfied by the operator's report to the Department on form DR2008A, Private Tow Vehicle Information Request, or by initiating a search through the State's website. This form is required to be submitted within ten working days after receipt of determination from law enforcement that such motor vehicle has not been reported stolen. The date noted on the form as the "Date to DOR" shall be the date used to determine the date that the operator complied with this requirement.
4. **Public Tow/Private Tow** - Exceptions. A public tow shall result from the abandonment of a vehicle on public property in accordance with § 42-4-1802 (1), C.R.S. A private tow shall result from the abandonment of a vehicle on private property in accordance with § 42-4-2102 (1), C.R.S. An exception to a public tow is when a law enforcement agency requests an operator to tow a vehicle from an accident and the owner of record is available to make arrangements with the operator and sign the operator's tow ticket. The vehicle is no longer considered abandoned on public property. If the owner of record breaches his agreement with the operator to claim the vehicle, the vehicle is now considered abandoned on private property and must be processed through the private tow procedure.
5. **Public Tow - Law Enforcement Release** . In the event a law enforcement agency releases a vehicle that has been abandoned on public property and the owner of record does not claim the vehicle from the operator, the vehicle must be processed under the public tow procedure.
6. **Law Enforcement Notification - Private Tow** . Operators shall notify law enforcement in accordance with Parts 21, Article 4 of Title 42 C.R.S.
7. **Operator Notification of Owner/Lienholder** .
  - a. **Public Tow** . Upon a vehicle being abandoned on public property, both the law enforcement agency that authorized the tow and the operator that towed the vehicle on behalf of the law enforcement agency must request record information from the Department within 10 working days of the tow to determine if there is an owner or lienholder of record. The operator shall use form DR2539 Title Information Request and Receipt to obtain owner and lienholder information for a public tow or may obtain search information through the MVBG website. The DR2008, Law Enforcement Vehicle Information Request will serve as the acceptable form for search request and notification in the title application upon

sale of the vehicle. Both the operator and the law enforcement agency must notify any owner and/or lienholder of record, determined through department records. The operator may collect ten times the amount of the documented direct and indirect costs associated with the notification of the owner and lienholder or \$100.00 whichever is less. Direct costs include the charges paid to the U.S. Postal Service for sending the notice by certified mail, return receipt requested. Indirect costs include, but are not limited to, the administrative costs of labor, equipment and supplies required to send the notice.

- b. **Private Tow** . Operator shall notify owner and lienholder as required by § 42-4-2103, C.R.S.
8. **Disclosure Requirements for Salvage Vehicles** . Upon receiving record search information from the department, if the record indicates that the vehicle is salvage and the vehicle appears to have been made roadworthy, the operator shall disclose to the buyer that the vehicle has a salvage title record, and that no repairs have been made by the operator to make the vehicle roadworthy. The buyer shall follow the established procedure to apply for a roadworthy title. The buyer will complete a DR2424 Salvage Title Statement of Fact by stating that the vehicle was purchased from operator as an abandoned vehicle and that no repairs have been made. All subsequent applications will indicate the same information on the DR2710, Rebuilt From Salvage Disclosure. If the vehicle is in salvage condition at the time of sale, as determined and disclosed in writing by the operator and appraised for more than \$200.00, the buyer must apply for a salvage title and state that the vehicle was purchased from operator as an abandoned vehicle. Tow operators and law enforcement agencies are required to disclose to the buyer that the vehicle is a salvage vehicle. However, because the vehicle was abandoned and there are no records to indicate the reason for salvage, tow operators and law enforcement agencies will not be required to disclose the reason for the salvage designation.
- If the record obtained from the department indicates that the vehicle was previously salvage, the tow operator or law enforcement agency shall make all reasonable attempts to determine the cause of the salvage designation. Once the reason for salvage has been determined, the tow operator or law enforcement agency will complete the DR2710 Rebuilt From Salvage Disclosure to provide the salvage information. If the reason for salvage is indeterminate, the tow operator or law enforcement agency will complete the DR2710 by marking the "other" box and stating "purchased as an abandoned vehicle, reason for salvage unknown".
9. **Sale of Abandoned Vehicle - Private Tow** . If the owner or lienholder of a motor vehicle that was abandoned on private property does not respond to the certified notice, the tow operator may sell the vehicle in a commercially reasonable manner for tow and storage fees. These abandoned vehicles shall be appraised by a licensed Colorado motor vehicle dealer and sold through a motor vehicle dealer or wholesaler, or a licensed wholesale motor vehicle auction dealer or through a classified newspaper advertisement published in at least one newspaper in Colorado by the tow operator. If the sale is through a newspaper advertisement, a copy of the advertisement will be required with the title application. The advertisement must identify the vehicle by the model year, make and the last 6 characters of the vehicle identification number and identify the operator and provide operator contact information.
10. **Commercially Reasonable Sale - Private Tow** . A sale must be commercially reasonable in accordance with § 42-4-2104, C.R.S. Commercially reasonable is defined as a good faith attempt to dispose of the item to the parties' mutual best advantage. A sale of the vehicle with a bona fide appraised value of more than \$200.00 to any person with a proprietary interest in the tow operation, an employee of the tow operation or any person or organization initially requesting the tow shall not be considered commercially reasonable.
11. **Operators Registration with Department and PUC** . All operators that tow abandoned vehicles from private and public property must be issued a permit through the Colorado Public Utilities Commission and shall be registered with the Department, except auto parts recyclers that are not

required to have a PUC permit, but must register with the Department.

12. **Suspension/Revocation** . Upon complaint by the Department, an operator's permit may be suspended or revoked by the PUC, or the Department may cancel the operator's registration when it is established that the operator has violated any of the provisions set forth in parts 18 and 21, article 4 of Title 42 C.R.S.
13. **Appraisal** . A licensed Colorado motor vehicle dealer shall complete a vehicle appraisal for the purposes of selling a vehicle that was abandoned on private property.
14. **Sale Must Occur Between 30 and 60 days** .
  - a. **Public Tow** . The responsible law enforcement agency may sell a vehicle in accordance with § 42-4-1805 C.R.S. For vehicles with no Colorado record, date of notice shall be the date the search was completed.
  - b. **Private Tow** . An operator may sell a vehicle in accordance with § 42-4-2104 C.R.S. In the event that no record of ownership is found by the Department through department records, the date of notice shall be the date of confirmation of no record from the Department.

“Vehicles with a model year” less than five years, in for which the Department is unable to locate a record in department records, may only be titled through the bond procedure. The tow operator shall obtain a certified VIN inspection and the purchaser shall obtain a surety bond. Both documents shall be required to accompany the abandoned vehicle paperwork in the title application.

If the record or the “vehicle” is salvage or previously salvage, all provisions outlined in rule number 8 herein shall apply.

*If the vehicle does not sell* within the time frames as defined in § 42-4-1805 and § 42-4-2104 C.R.S., no additional fees or charges may be assessed.
15. **Proceeds of Sale** . All proceeds from the sale of a motor vehicle abandoned on private property shall be in accordance with § 42-4-2108, C.R.S. Tow operators are required complete the section entitled "Report of Sale of an Abandoned Vehicle" found on the DR2173 Motor Vehicle Bill of Sale at the time of sale.
16. **Electronic Search Capability** . Whenever possible, tow operators and law enforcement agencies shall utilize the electronic system provided by the Department to obtain the owner and lienholder information of abandoned vehicles. Use of the electronic system shall be only for the purpose of obtaining required information to process abandoned vehicles.
17. **Records Retention** . Tow operators shall be required to retain records in compliance with Colorado Public Utilities Commission rules.

## **SALVAGE DISCLOSURE ON TITLE APPLICATIONS FOR SALVAGE AND PREVIOUSLY SALVAGED MOTOR VEHICLES**

### **1.0 Definitions**

- 1.1 Salvage vehicle means any motor vehicle as defined in section 42-6-102 (7) and (17), C.R.S. which is damaged as defined by section 42-6-102(13), C.R.S. which shall include any reference to “salvage vehicle” or “salvage motor vehicle.”

- 1.2 Certified VIN Inspector means a peace officer that is certified by the Peace Officers Standards and Training board (P.O.S.T.) to complete vehicle identification number inspections pursuant to section 24-31-303 (1) (e), C.R.S.
- 1.3 Repair Shop means a person or firm that offers major motor vehicle repair services of more than one thousand dollars in value per motor vehicle repair to the public on a commercial basis and complies with all federal, state, county and municipal laws that require the person or firm to possess business or tax licenses.

## **2.0 Requirements**

- 2.1 The application for a Salvage Certificate of Title shall include disclosure of the type of damage (excluding hail damage) resulting in salvage. In the case of an application for salvage title due to vehicle abandonment at a repair shop, the application shall denote that the reason for salvage is "vehicle abandoned at a repair shop".
- 2.2 A copy of the appropriate form, as designated by the Division of Motor Vehicles, shall accompany any title application for a motor vehicle known to be previously declared a salvage motor vehicle. "REBUILT FROM SALVAGE" indicates the motor vehicle is now roadworthy as defined in section 42-6-102 (15), C.R.S.
- 2.3 The application for a certificate of title for a salvage motor vehicle which has been made roadworthy from salvage as provided in section 42-6-116, C.R.S., shall be accompanied by a certified vehicle identification number inspection (form DR 2704) and an affidavit from the owner, which includes but is not limited to:
- A. Description of repairs to the salvage motor vehicle including what work was completed to repair the motor vehicle;
  - B. What parts were used to repair the salvage motor vehicle;
  - C. Where the parts were obtained, and who made the repairs;
  - D. Certification by the owner that the salvage motor vehicle described in the affidavit is now roadworthy as provided in section 42-6-102 (11) C.R.S.; and,
  - E. The specific information required in 3 A., B., C. and D. is not required in the event that the salvage title was issued due to vehicle abandonment at a repair shop. In this case, the affidavit required in 3 A. must state that the reason for salvage is "vehicle abandoned at a repair shop and no repairs have been made".
  - F. Prior to the inspection of the vehicle the applicant shall stamp a salvage brand into the motor vehicle using the words "REBUILT FROM SALVAGE". Each letter must be at least one-fourth inch in size and stamped in the following locations for each vehicle type:
    - Motorcycle – on the frame in a visible location
    - Manufactured Home – main entrance door jamb
    - Trailer – adjacent to public VIN
    - All other Motor Vehicles – on the Driver's B Pillar post
  - G. Verification by a Certified VIN Inspector that said inspector personally examined the salvage motor vehicle including the salvage brand and reviewed the affidavit from the owner and

any receipts and/or invoices for parts used in the repair of the salvage motor vehicle. The Certified VIN Inspector shall not complete the inspection unless the salvage brand required by section 42-6-136 (3) (b) (II), C.R.S., is stamped into the vehicle.

- 2.4 The owner of a salvage motor vehicle may make application for a salvage certificate of title before the sale or transfer of such motor vehicle. All subsequent purchasers or transferees of a salvage vehicle, other than transactions that are not subject to taxation pursuant to section 39-26-104, C.R.S., must obtain a salvage certificate of title in the owner's name within 45 days from the date of purchase or transfer. If an insurance company acquires a motor vehicle that has been defined as salvage' in accordance with section 42-6-102 (13), C.R.S., the insurance company must apply for a salvage certificate of title in accordance with section 42-6-136 (2), C.R.S. before transferring ownership of the vehicle. If the owner retains a motor vehicle upon settlement of a claim with an insurance company, and the vehicle has been defined as "salvage" in accordance with section 42-6-102(13), C.R.S., the owner must apply for a salvage certificate of title in their name. If a Repair Shop acquires a vehicle through the Repair Shop Abandonment process and the vehicle is less than six model years and appraised for more than \$200.00 , the purchaser of the vehicle must apply for a salvage certificate of title in accordance with section 42-4-2104.5 (4)(e)(III), C.R.S.
- 2.5 The department shall clearly and conspicuously identify every salvage certificate of title with the word "SALVAGE" or rebuilt salvage certificate of title with the words " REBUILT FROM SALVAGE" by any means that is permanent and unmistakable as approved by the director. Such identification shall appear on the first and on all subsequent certificates of title for any such vehicle.

### **Persons with Disabilities Parking Privileges**

Basis: The statutory basis for this regulation is CRS 42-1-204; 42-3-112 (13); 42-3-115.5 (5)(a) (II); 42-3-121; 42-6-104; and 42-6-139 (3) & (4).

Purpose: The following rules and regulations are promulgated to clarify criteria for Persons with Disabilities Parking Privileges, the requirements for obtaining and displaying disability plates and placards and the violations and revocations associated with the misuse of disability plates and placards.

#### **Definitions:**

1. A Colorado licensed physician is permitted to certify a disability. Physician's Assistants, Registered Nurses, Nurse Practitioners or other nursing services, Chiropractors, Dentists, Podiatrists, Optometrists, or any other medical profession or occupation that is not a licensed physician are not permitted to certify a disability.

Christian Science members do not believe in medical doctors, therefore, a letter, written by an authorized Christian Science practitioner, attesting to the applicant's mobility disability is an acceptable form of authorization for disabled parking privileges.

#### **Authorized Christian Science Practitioners**

- will make statements about an individuals mobility difficulties
  - will not provide medical diagnoses
  - are designated by CS or CSB (similar to a doctor's MD) CS - Practitioner CSB - Both practitioner and teacher
2. Commissioned Medical Officers of the United States Armed Forces, the United States Public Health

Services or the United States Veteran's Administration may certify the disability of an individual.

3. Persons with Disabilities Placards have the International Symbol of Access prominently displayed on them. Permanent Placards are valid for a period of three years and must be re-applied for through a re-certification process. Temporary Placards are valid for a period of up to 90 days.
4. Persons with Disabilities License Plates have the International Symbol of Access prominently displayed on them. They are valid for a year and must be renewed annually.

**General Requirements:**

1. Disability placards and plates are only to be used by the person to whom they are issued.
2. Lost or stolen disability plates or placards should be reported to local law enforcement and County Motor Vehicle Offices immediately.
3. The State of Colorado honors valid disability license plates and placards issued by other states for individuals who are not residents of Colorado.
4. Plate and Placard Restrictions:

One set of disability license plates and one parking placard per applicant, Or Two parking placards per applicant is imposed.

5. The State of Colorado offers several types of disability license plates and two types of disability placards, which authorize an individual to park in disabled parking spaces. The plates are issued only to Passenger Vehicles, Motorcycles and Light Trucks.
6. Every three years the disabled applicant or a representative must re-certify his/her disability upon penalty of perjury. A Physician's signature is not required for re-certification.
7. The privileges granted for Colorado disability plate and placard holders will be denied when:
  - Applicant is no longer a resident of Colorado
  - Applicant is deceased (surviving spouses/relatives are not entitled to use)
  - Applicant is no longer disabled
8. The Department of Revenue, Motor Vehicle Business Group, Registration Section should be notified within 30 days if any of the above circumstances occur. All plates and placards issued to that individual will need to be returned to the Department of Revenue, Motor Vehicle Business Group, Registration Section, 1881 Pierce Street, Lakewood, Colorado 80214.
9. If more than one owner of the vehicle is eligible for disability privileges, each owner must apply individually to exercise said privilege.
10. Organizations (i.e. nursing homes) that transport persons with disabilities may obtain PERMANENT disability placard(s) via the County Motor Vehicle Office in the County where the organization is located. At no time will a disability license plate or temporary placard be issued to these organizations.

Permanent disability placards may be issued to organizations upon submission of the following documents:

- A letter, on the organization's letterhead stationary, signed by the CEO (or equivalent) of the organization stating the use of the vehicle(s).
- A copy of the CEO's (or equivalent of the organization) COLORADO Identification Card or COLORADO Driver's License,
- Copies of the registrations or titles for the vehicles that will use the placard. Vehicles must be titled in the name of the organization.
- After the issuance of the placard(s) - a letter, on the organization's letterhead stationary, should be written stating that the placard belongs to the organization and that the Driver's License or Identification Card number shown on the placard matches that of the CEO (or equivalent) of the organization.

A copy of the letter stating the use of the vehicles, a copy of the CEO's (or equivalent) COLORADO Driver's License or COLORADO Identification Card, a copy of the vehicle registration and/or title, and a copy of the letter stating that the placard belongs to the organization must be kept in the vehicle while the placard is displayed.

11. A COLORADO Driver's License or a COLORADO Identification Card belonging to the disabled applicant is required upon application for a disability placard. The COLORADO Driver's License or COLORADO Identification Card number will be written on the disability placard at time of application. No waivers or exceptions may be made regarding this requirement.

### **Usage of Disability Plates and Placards**

1. Disability placards should be clearly displayed at all times vehicle is parked in disability parking. They must be suspended from the rearview mirror inside the vehicle or displayed on the dashboard in plain view of any persons looking through the windshield. Placard must be removed from rearview mirror before driving vehicle.
2. When displaying a disability placard, the applicant must be a passenger or driver of the vehicle and the applicant's Identification Card or Driver's License and the disability placard registration receipt must be carried at all times.
3. Handicapped Disabled Veteran License Plates permit the driver to park in disability parking zones. Regular Disabled Veteran License Plates are not permitted to park in these zones.
4. Plates must be clearly displayed at all times the vehicle is parked in disabled parking. The disability license plate registration receipt must be carried at all times.

### **Infractions and Revocations**

1. Any law-enforcement officer or authorized and uniformed parking enforcement official may check identification to ensure that the authorized user is a passenger in or the driver of a vehicle utilizing a disability license plate or placard in a disabled parking place. All violations will be sent to the Department of Revenue, Motor Vehicle Business Group, State Registration Section.
2. Violations of parking privileges will be tracked, by the Department of Revenue, Motor Vehicle Business Group, State Registrations Section, utilizing the Driver's License or Identification Card number of the plate/placard holder, or the serial number of the Plate or Placard in violation.
3. MISUSE BY PERSON WITH A DISABILITY

Upon the first violation, due to misuse by the person with a disability (holder of plate or placard),

all plate(s) and placard (s) owned by holder may be revoked for a period of one year.

The holder of the plate(s) or placard(s) shall be notified in writing, by the Department of Revenue, Motor Vehicle Business Group, Registration Section, that all disability plates or placards owned by the holder must be returned to the Department of Revenue, Motor Vehicle Business Group, Registration Section, 1881 Pierce Street, Lakewood, CO 80214, and that the holder's disability privileges have been revoked for a period of one year.

Upon a second or subsequent violation of a disability plate or placard by the person with a disability (holder of the plate or placard), all plate(s) or placard(s) owned by the holder may be revoked for a period of five years.

The holder of the plate or placard shall be notified in writing, by the Department of Revenue, Motor Vehicle Business Group, Registration Section, that all disability plates or placards owned by the holder must be returned to the Department of Revenue, Motor Vehicle Business Group, Registration Section, 1881 Pierce Street, Lakewood, CO 80214, and that the holder's disability privileges have been revoked for a period of five years.

Revoked disability license plates and placards shall not be renewed or reissued. Subsequent disability license plates and placards shall not be issued in replacement of those revoked.

Upon completion of the revocation period (1 year or 5 years) - the disabled individual may re-apply for Persons with Disabilities Plates and/or Placards.

#### 4. MISUSE BY AN INDIVIDUAL OTHER THAN THE DISABLED PERSON

When a disability plate or placard has been misused by an individual other than the holder of the plate or placard, the holder will be notified in writing by the Department of Revenue, Motor Vehicle Business Group, Registration Section that the violation has occurred. If the same disability plate or placard has been misused subsequent to the initial violation, the holder will again be notified.

Upon the third misuse of the disability plate or placard by an individual other than the holder of the plate or placard, the holder shall be notified in writing, by the Department of Revenue, Motor Vehicle Business Group, Registration Section, that all disability plates or placards owned by the holder must be returned to the Department of Revenue, Motor Vehicle Business Group, Registration Section, 1881 Pierce Street, Lakewood, CO 80214, and that the holder's disability privileges have been revoked for a period of five years.

5. Revoked plates and placards will not receive an annual renewal notice.

6. The plate/placard holder will be denied any additional plates/placards until all violations against any disability plates/placards owned by said holder are cleared. Holders may request a hearing, in writing, within 30 days of notification of revocation. If a hearing is not requested, all disability plates and placards owned by the holder will be revoked without further notice.

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These Rules and Regulations are effective July 1, 2000.

#### **Colorado Fleet Registration Program Rules**

Definitions: Fleet operator shall be defined in accordance with § 42-1-102 (35), C.R.S.

Fleet vehicle shall be defined in accordance with § 42-1-102 (36), C.R.S.

MVBG means the Motor Vehicle Business Group of the Colorado Department of Revenue

**Participant Eligibility:**

Any fleet operator of a fleet of 10 or more vehicles may apply to participate in this program as designated by the department, provided the following conditions are met.

1. The official name of this program will be the Colorado Fleet Registration Program (CFRP). Fleet operators who apply and are enrolled in the program will have the benefit of a common expiration date and will have the option to select the registration renewal period for their fleet, and secure permanent plates.
2. If the Department determines that a fleet enrolled in the CFRP program has less than 10 vehicles registered under the assigned fleet number, the fleet shall no longer be eligible for this program. The program will include intrastate vehicles only. Fleets registered with the International Registration Program (IRP) will not be considered for this program.
3. Fleets shall enroll by completing the appropriate form or in the format prescribed by MVBG.
4. Calendar year 2003 will serve as the pilot year for this program. The initial fleets to participate in the pilot program will be fleets that are currently using the multi-year plates and registration. Prior to calendar year 2004, participation of other fleets will be considered based on budget and resource availability.
5. Fleet vehicles shall be registered in the counties where the vehicle is principally operated and maintained, in accordance with § 42-6-139 (1) (a), CRS. If the location from where the vehicle is principally operated and maintained changes, the fleet operator must comply with the notification requirements as stated in § 42-3-112 (9), CRS, or as otherwise permitted by statute.
6. Each vehicle within a participating fleet shall be issued a registration the first year the vehicle becomes a part of this program. This registration or a photocopy must be carried in the vehicle and will indicate that the license plate is permanent. The registration will be vehicle specific. This registration document will not need to be replaced in the vehicle each year upon renewing the registration, however an original copy of the registration of each vehicle registered in the fleet must be maintained by the fleet operator at a designated location, not necessarily in Colorado. In the event MVBG establishes an electronic registration system, an electronic record of the registration will be acceptable as the record to be maintained by the fleet operator.
7. The license plates issued to these fleet vehicles will not be marked with an expiration date and therefore, not require an annual validating year and month tab. The Department shall identify CFRP vehicles with a unique plate, decal or tab. CFRP plates may be used and moved from vehicle to vehicle as long as the plate configuration is legible. If the fleet license plate is moved from one vehicle to another, the fleet operator must contact the county motor vehicle office to submit the additional fees as required, and obtain a new registration that identifies that vehicle. The fleet operator will be responsible to ensure that the plate, tab or decal on the vehicle is legible, readable and in good condition and that the plates are replaced through the county motor vehicle office upon becoming illegible. Plates not transferred to another fleet vehicle may be returned to the appropriate county motor vehicle office for cancellation and receipt.
8. Fleet operators must comply with the appropriate emissions, insurance, HVUT and all other laws set forth in Colorado statute for each vehicle registered within the Colorado Fleet Registration Program. Participating in this program does not absolve the operator from complying with current statutory requirements. Staggered emissions testing is acceptable for diesel vehicles pursuant to § 42-4-406 (I) (a), CRS, and gasoline powered motor vehicles pursuant to § 42-4-310 (1)(b)(II) (B) and (C), CRS.

9. A declaration shall be mailed to each fleet operator prior to the operator's yearly renewal month indicating the total amount due for the registration renewal of the fleet. All documents and fees required to renew the registrations for the entire fleet must be submitted at time of renewal, including insurance and emissions.
10. Government fleets may still participate in the program utilizing the standard government license plates with a unique decal or tab as determined by the department that is immediately identifiable as a vehicle registered in a fleet.
11. MVBG will assess the program efficiency at intervals determined by the department.

### **Temporary Special Event License Plate**

Basis: The statutory basis for this regulation is C.R.S. 42-1-201, 42-1-204, and 42-3-117.7

Purpose: The following rules and regulations are promulgated to establish criteria for the issuance and use of temporary special event license plates.

### **Requirements**

1. All applicants for temporary special event license plates shall complete and submit to the Department of Revenue, Motor Vehicle Business Group, Registration Section, an application for the issuance of such plates. In addition to the application, an applicant for a temporary special event license plate shall submit to the department: the name, date or dates, and location of the special event to which the request for the license plate(s) is connected; the date(s) the license plate is needed; the quantity of license plates requested; a list of vehicle information including the vehicle identification number, make, model, and year of each vehicle; a certified letter stating that insurance coverage will be in place for each vehicle during its use for the period for which the temporary special event license plate is issued; and any other information as required by the Department.
2. Temporary special event license plates shall be issued only by the Department of Revenue, Motor Vehicle Business Group, Registration Section, 1881 Pierce Street, Lakewood, Colorado 80214.
3. Temporary special event license plates are issued only for the time period specifically stated on the application submitted. If the special event is an annual affair, an application must be submitted and new plates issued for each subsequent year if needed.
4. Fees for the temporary special event license plates are \$25.00 per set/single plate and must be paid at the time that such plates are picked up. If mailing is requested, applicant must provide a pre-paid overnight authorization and payment for plates. Checks will be made payable to: Department of Revenue.
5. The Department of Revenue will work with the sponsor unless the event sponsor has designated a specific agent for the purpose of obtaining temporary special event license plates.
6. Sales or use tax due in connection with a temporary special event license plate or vehicle that will be issued such plate shall be paid before the temporary special event license plate is issued. Proof of tax payment can be provided on sales tax form DR0100A. The requirements for the collection of sales or use tax for vehicles plated with temporary special event license plates are specified in sales tax special regulation 3.5.
7. The Department of Revenue will provide a letter of authorization, which must be kept in each vehicle displaying a specific temporary special event license plate. The department will inform law enforcement that the temporary special event license plate has been approved for that specific

event.

8. Upon expiration of the special event, the temporary special event license plate(s) becomes the property of the sponsor.
9. It is the responsibility of the event sponsor to assure that the vehicle(s) being driven is maintained in a roadworthy condition.
10. Lost or stolen temporary special event license plates shall be reported within seventy-two (72) hours to the Department of Revenue, Motor Vehicle Business Group, Registration Section for notification to law enforcement. Replacement plates will be provided at the cost of \$25.00 if remanufacture is possible.

### **Vehicles Classified as Farm Trucks**

**Basis:** The statutory basis for this regulation is C.R.S. 42-1-102 (108), C.R.S. 42-3-134(12(a)) and 42-3-134.5(12)(a)

**Purpose:** The purpose of this regulation is to establish the definition of Farm Truck for the purpose of collecting fees.

1. Farm truck fees are to be applied only to vehicles used in a farming or ranching operation.
2. In order to qualify as a Farm Truck, a vehicle must meet all of the following specifications:
  - a. The owner of the vehicle is a farmer or rancher.
  - b. The vehicle's only commercial uses are for transporting the vehicle owner's own:
    - Poultry
    - Dairy
    - Livestock
    - Livestock products
    - Farm products
    - Materials
    - Tools
    - Equipment
    - Supplies
  - c. The vehicle cannot be used solely for the purpose of transporting people.
3. The owner of the vehicle must submit a completed affidavit on a form to be provided that states that the motor vehicle will be used in accordance with State law for agricultural or ranching purposes.
4. The County Clerk may require the owner of the vehicle to provide documentation demonstrating that the owner's primary occupation or business is farming or ranching.

5. Each time an application is made for a vehicle to be classified as a Farm Truck, a separate application form must be submitted.
6. Persons that farm or ranch as a hobby, retired farmers or ranchers, or other persons or businesses not actively engaged in farming or ranching operations are not eligible to benefit from the Farm Truck fee schedule.

### **Emergency Vehicle Equipment Authorization**

Basis: The statutory bases for this regulation are sections 42-1-102(6), 42-1-204, 42-4-213, 42-4-108, 42-4-222 and 42-4-238, C.R.S.

Purpose: The following rules and regulations are promulgated to establish requirements for processing Emergency Vehicle Equipment Authorization requests resulting in the issuance of an Emergency Vehicle Equipment decal.

#### **Definitions:**

Authorized emergency vehicle – such vehicles of the fire department, police vehicles, ambulances, and other special-purpose vehicles as are publicly owned and operated by or for a governmental agency to protect and preserve life and property in accordance with state laws regulating emergency vehicles; said term also means such privately owned vehicles as are designated by the state motor vehicle licensing agency, necessary to the preservation of life and property, to be equipped and to operate as emergency vehicles in the manner prescribed by state law.

Ambulance – a special vehicle for the sick or injured.

Collector Vehicle – a motor vehicle including a truck or truck tractor that is at least 25 years old.

Ambulance Service Director - the chief executive officer of a private ambulance service company which holds itself out to be a provider of transportation of ill or injured persons or which routinely provides transportation for ill or injured persons.

#### **Requirements:**

1. The Department will design and provide an application for Emergency Vehicle Equipment Authorization form. The form will be made available both in paper format and electronically.
2. The applicant will complete the top portion of the application and present the application to the appropriate authorizing agency for approval. The chief of police, sheriff, fire chief or an ambulance service director will act on behalf of their respective agency and will have the authority to approve an emergency vehicle equipment application.
3. The authorizing agency will make the determination to approve or deny the application. The determination of whether the vehicle meets the statutory definition of an emergency vehicle is at the discretion of the authorizing agency. The approval should be based in part, on an inspection of the emergency equipment to ensure that the equipment meets the statutory requirements, and to verify the intended use of the vehicle.
4. The authorizing agency shall review the application for completeness. Upon approval, the application is to be mailed or delivered to the Department of Revenue, Registrations Section. The original application must be submitted with two copies.
5. The Registrations Section will verify that the form is complete and issue an emergency vehicle decal. The decals will contain a sequential control number that will be recorded on the application and in

the Registrations database.

6. The Registrations Section will maintain a log of issued Emergency Vehicle Equipment Authorizations to be used by the Department's Communication Center. This information will be updated when necessary to provide accurate information for law enforcement agency inquiries.
7. The decal and a copy of the application form will be returned to the authorizing agency.
8. The authorizing agency will notify the applicant that the application has been approved and the decal has been issued.
9. The authorizing agency will ensure that the decal has been affixed to the authorized vehicle in the lower driver's side corner of the front windshield. A copy of the approved application must be kept in the vehicle at all times.
10. The authorization will be valid for a period of two (2) years from the date of issuance as identified by the Department's Action Date.
11. If at any time, the authorizing agency has reason to revoke the emergency vehicle equipment authorization, the authorizing agency will submit a copy of the application to the Registrations Section to indicate this action. The "Revocation Action Notification" portion of the application must be completed.
12. Upon receipt of a request for revocation, the Registrations Section will cancel the authorization on the database and send updated information to the Communications Center.
13. The State Registrations Section is responsible to notify the State Communications Center of a revoked authorization. The authorizing agency is responsible for notifying the individual whose decal is being revoked.

#### **Disposition of Motor Vehicles Abandoned at Motor Vehicle Repair Shops**

Basis: The statutory bases for these regulations are sections 42-1-204, 42-4-1805, 42-4-2102, 42-4-2104, 42-4-2104.5, 42-4-2109, 42-6-102, 42-6-104 and 42-6-136 C.R.S.

Purpose: The following rules and regulations are promulgated to establish requirements for processing of certificates of title for vehicles that have been abandoned at a motor vehicle repair shop.

#### **Definitions:**

Abandoned Motor Vehicle – a motor vehicle:

- (1) that has been left at a repair shop by the motor vehicle's owner, the owner's agent, or an operator hired by the owner or owner's agent;
- (2) that the repair shop has offered to repair and for which the repair shop has prepared an estimate of repair costs;
- (3) that the owner or the owner's agent has refused to authorize repairs to, has refused to pay for authorized and completed repairs to, or has refused to remove from the repair shop upon request. If a repair shop is unable, despite good faith efforts, to obtain a response from the owner or the owner's agent regarding the authorization of repairs, payment for authorized and completed repairs, or the removal of a motor vehicle, the owner or owner's agent shall be deemed to have refused to authorize repairs, pay for authorized and completed repairs, or remove the motor vehicle.

- (4) that is not the subject of sale negotiations or a sale agreement between the owner or the owner's agent and the repair shop.

Department – the Department of Revenue, Division of Motor Vehicles (DMV).

Operator – a person or firm licensed by the Public Utilities Commission (PUC) as a towing operator, which includes auto parts recyclers that tow vehicles for remuneration.

Repair Shop – a person or firm that offers major motor vehicle repair services of more than one thousand dollars in value per motor vehicle repair to the public on a commercial basis and complies with all federal, state, county and municipal laws that require the person or firm to possess business or tax licenses.

Salvage Certificate of Title – a document issued under the authority of the director to indicate ownership of a salvage vehicle.

Salvage Vehicle – any motor vehicle as defined in section 42-6-102 (7) and (17), which is damaged as defined by section 42-6-102 (13), which shall include any reference to “salvage vehicle” or “salvage motor vehicle” .

1. This process may be followed by repair shop owners for those vehicles that have an appraised value of two thousand dollars or less and have been abandoned at their facility.
2. If a tow operator is also an owner of a repair shop, an abandoned vehicle must be processed in accordance with the terms of the abandonment. If the vehicle was abandoned on private property, the vehicle must be processed in accordance with the requirements of 42-4-2102 CRS. If the vehicle is abandoned at a repair shop and meets the specified requirements, the vehicle must be processed in accordance with the requirements of 42-4-2104.5 CRS.
3. A copy of the repair order will be required to substantiate that an estimate of repair costs was completed.
4. The repair shop shall conduct or cause to be conducted an appraisal of the vehicle not less than fifteen days nor more than thirty days from the date that the owner or owner's agent refused to authorize repairs, pay for completed repairs or remove the vehicle from the repair shop upon request. The appraisal must be conducted by a licensed Colorado dealer. If the repair shop owner is also a licensed Colorado dealer, he may conduct the appraisal on a vehicle that has been abandoned at his repair shop.
5. The vehicle will be considered abandoned if the vehicle owner or the vehicle owner's agent does not respond to the repair shop within five working days from the last “good faith effort” made by the repair shop to contact the owner.
6. For purposes of this procedure, a “good faith effort” is defined as mailing a certified letter which includes a copy of the repair order and notification that if the repair shop does not receive a response within ten working days from the postmark date of the certified letter, the vehicle will be considered abandoned and will be subject to sale.
7. The vehicle must be appraised at \$2,000.00 or less to follow this procedure. If the vehicle is appraised for \$2,001.00 or more, the Mechanic and Storage Lien procedure must be completed to obtain a Colorado certificate of title.
8. The requirement for notification to the Department by a repair shop upon a vehicle becoming abandoned at a repair shop shall be satisfied by the repair shop owner initiating a search through the State website.

9. Repair shop owners shall notify the law enforcement in accordance with Part 21, Article 4 of Title 42 C.R.S.
10. Report of the abandonment of the motor vehicle shall be conducted no later than ten working days following notification from law enforcement that the vehicle has not been reported stolen, and a case number has been assigned. This report must be conducted electronically through the Department's internet communication. The Department will not provide printed forms. The search is not considered complete until the repair shop receives a Colorado record or verification from the Department that no Colorado record exists.
11. Notification must be mailed to all addresses recorded in the Department's records in addition to the address on the repair order if it is different.
12. The repair shop must make a reasonable effort to obtain out-of-state owner and lienholder information if there is any indication that the vehicle is registered in another state. For purposes of this procedure, a reasonable effort is considered obtaining a record search from the state of which the vehicle appears to be registered.
13. A sale must be commercially reasonable in accordance with 42-4-2104.5, C.R.S. Commercially reasonable is defined as a good faith attempt to dispose of the item to the parties' mutual best advantage. A sale is not commercially reasonable if the vehicle's appraisal value is more than \$200.00 and is sold to an officer or partner of the repair shop or to any other person with a proprietary interest in the repair shop.
14. Upon the sale and application for title of a vehicle appraised for \$2,000.00 or less and more than \$200.00 whose model year is less than six years, a salvage title must be issued.
15. Upon the sale of the vehicle, the repair shop shall provide the purchaser with a Motor Vehicle Bill of Sale (DR2146), the original of the report (DR2147), a copy of the title search results including a copy of the e-mail verification when no record is found, a copy of the repair order, a copy of the certified letter - return receipt requested, the original Vehicle Identification Number verification and the appropriate application for title.
16. Upon receiving record search information from the department, if the record indicates that the vehicle is salvage and the vehicle appears to have been made roadworthy, the repair shop owner shall disclose to the buyer that the vehicle has a salvage title record, and that no repairs have been made by the repair shop to make the vehicle roadworthy. The buyer shall follow the established procedure to apply for a roadworthy title. The buyer shall complete a DR2424 Salvage Title Statement of Fact by stating that the vehicle was purchased from a repair shop as a vehicle abandoned at a repair shop and that no repairs have been made. All subsequent title applications will indicate the same information on the DR2710, Rebuilt from Salvage Disclosure. If the repair shop has made the repairs required for the vehicle to be deemed roadworthy, the buyer will complete the DR2424 Salvage Title Statement of Fact to indicate what repairs were made and that they were made by the repair shop.

If the vehicle is in salvage condition and/or less than six model years old at the time of sale, as determined and disclosed in writing by the repair shop owner and appraised for more than \$200.00, the buyer must apply for a salvage title and state that the vehicle was purchased as an abandoned vehicle from a repair shop. Repair shop owners are required to disclose to the buyer that the vehicle is a salvage vehicle. However, because the vehicle was abandoned and there are no records to indicate the reason for salvage, repair shop owners will not be required to disclose the reason for the salvage designation.

If the record obtained from the department indicates that the vehicle was previously salvage, the repair shop owner shall make all reasonable attempts to determine the cause of the salvage

designation. A reasonable attempt is considered obtaining a title history to determine the reason for salvage. Once the reason for salvage has been determined, the repair shop owner will complete the DR2710 Rebuilt from Salvage Disclosure to provide the salvage information. If the reason for salvage is indeterminate, the repair shop owner will complete the DR2710 by marking the box "vehicle abandoned at a repair shop" and stating "purchased as an abandoned vehicle at a repair shop, reason for salvage unknown" .

17. Access to the Department's electronic system requires registration with the Department pursuant to 42-4-1806 (2)(a) C.R.S.
18. All searches of the electronic system will require the statutory search fee pursuant to 42-1-206 (2)(a). These fees will be collected through a billing process determined by the department. Failure to remit payment required for services provided may result in suspension of access of the department's electronic system.
19. The electronic system registration and billing process will be completed as determined by the department.
20. Repair shop owners shall utilize the electronic system provided by the department to obtain the owner and lienholder information of abandoned vehicles. Use of the electronic system shall only be for the purpose of obtaining required information to process vehicles abandoned at their repair shop. Repair shop owners must register with the Department for use of the electronic system. A separate repair shop registration will be required for those repair shop owners that are registered with the Department as a tow operator.
21. If the vehicle does not sell within the time frames as defined in 42-4-2104.5, no additional fees or charges may apply.

#### **Manufacturer's Certificate Of Origin [Emer. rule eff. 8/4/06; Perm. rule eff. 12/31/06]**

The statutory bases for this regulation are 12-6-102 (11), 12-6-102 (12), 42-1-102(5), 42-6-102 (11), 42-6-102 (22), 42-6-104, 42-6-105, 42-6-113 and 42-6-115 C.R.S.

The purpose of this regulation is to define a Manufacturer's Certificate of Origin as it relates to a motor vehicle and to establish the process to be followed when submitting a Manufacturer's Certificate of Origin for the issuance of a Colorado Certificate of Title and the process to be followed in lieu of submitting a Manufacturer's Certificate of Origin for the issuance of a Colorado Certificate of Title.

#### **Definitions**

- 1.1 "Authorized Agent" means the officer of a county or city and county designated by law to issue motor vehicle titles and annual registrations for vehicles and to collect any registration or license fee imposed thereon by law.
- 1.2 "Bill of Sale" means a document furnished by a seller to a buyer specifying the vehicle year, make, model and Vehicle Identification Number, the purchase price and the terms of the sale. If a licensed Colorado dealer furnishes the bill of sale, the document must be printed on secure paper stock that contains security features used to detect alteration.
- 1.3 "Manufacturer's Certificate of Origin" means a document issued by a vehicle manufacturer which establishes ownership of the new vehicle prior to the vehicle being titled.
- 1.4 "Manufacturer" means any person, firm, association, corporation or trust, resident or non-resident, who manufactures or assembles new and unused motor vehicles; and is licensed in Colorado as a manufacturer, except that manufacturer' shall not include:

- A. Any person who only manufactures utility trailers that weigh, less than two thousand pounds and does not manufacture any other type of motor vehicle; and
  - B. Any person, other than a manufacturer operating a dealership (or as a dealer) pursuant to section 12-6-120.5, who is a licensed dealer selling motor vehicles that such person has manufactured.
- 1.5 “New Vehicle” means a motor vehicle being transferred for the first time from a manufacturer or importer, or dealer or agent of a manufacturer or importer, to the end user or customer. A motor vehicle that has been used by a dealer for the purpose of demonstration to prospective customers shall be considered a “new vehicle” unless such demonstration use has been for more than one thousand five hundred miles. Motor vehicles having a gross vehicle weight rating of sixteen thousand pounds or more shall be exempt from this definition.
- 1.6 “Used Vehicle” means a motor vehicle that has been sold, bargained, exchanged, or given away, or has had the title transferred from the person who first took title from the manufacturer or importer, dealer, or agent of the manufacturer or importer, or has been so used as to have become what is commonly known as a second hand motor vehicle. A motor vehicle that has been used by a dealer for the purpose of demonstration to prospective customers shall be considered a “used vehicle” if such demonstration use has been for more than one thousand five hundred miles.

## Requirements

- 2.1 The Manufacturer’s Certificate of Origin shall adhere to the printing standards established by the American Association of Motor Vehicle Administrators (AAMVA). Those specifications are as follows:
- A. SECURITY FEATURES – All “Certificates of Origin” should contain the following security features:
    - 1. Paper
      - a. Sensitized Security Paper – paper that is reactive to chemicals commonly used to alter documents.
      - b. Non-Optical Brightener Paper – paper without added optical brighteners, which will not fluoresce under ultraviolet light.
    - 2. Engraved Border – a border produced from engraved artwork, which shall appear on the front of the document.
    - 3. Prismatic – rainbow printing which is used as a deterrent to color copying, and/or
    - 4. Copy Void Pantograph – the word “void” appears when the document is copied.
    - 5. Complex Colors – colors, which are developed by a mixture of two or more colors, (red, yellow or blue) and black if required.
    - 6. Erasable Fluorescent Background Inks – fluoresces under ultraviolet light and reacts to any attempt to erase in such a manner as to be immediately detectable.
    - 7. Background Security Design – a repetitious design consisting of a pattern, which hinders counterfeiting efforts.
    - 8. Microline – a line of small alpha characters in capital letters which requires a

magnifying glass to read.

9. Consecutively numbered – documents that contain a number, which is consecutively numbered for control purposes.

10. Security thread – with or without watermark and/or

11. Intaglio Print – with or without latent image.

B. DOCUMENT SIZE – “Certificates of Origin” shall be seven (7) inches by eight (8) inches.

C. PAPER STOCK – Sixty (60) pound offset or equivalent durability.

D. CONSTRUCTION – Unless otherwise specified by the user, the forms should be constructed and fan folded for use on high-speed pin-fed computer printer and/or continuous typewriters.

E. LAYOUT – Test matter space for 1/10” horizontal and 1/16” deep characters per AAMVA H-12 policy for standard format.

F. FACILITY SECURITY – To insure the integrity of the manufacturer’s “Certificate of Origin”, the use should require the vendor to maintain secure printing and storage facilities. [Revised 1990]

2.2 Manufacturer’s Certificate of Origin shall represent the vehicle by identifying the following vehicle features:

A. Date the Manufacturer’s Certificate of Origin was issued

B. Invoice number (where ownership transferred from the manufacturer)

C. Vehicle Identification number

D. Year of manufacture of the vehicle

E. Make of vehicle

F. Body type

G. Shipping weight

H. Horsepower

I. Gross Vehicle Weight Rating

J. Number of cylinders

K. Series or model of vehicle

2.3 The Manufacturer’s Certificate of Origin must contain a clause that certifies that the new vehicle as described on the certificate is the property of the manufacturer identified and has been transferred on the date and to the distributor or dealer as identified on the face of the certificate.

2.4 The Manufacturer’s Certificate of Origin must contain a clause that certifies that the certificate represents that this was the first transfer of this new vehicle in ordinary trade and commerce. The

signature of an authorized representative for the manufacturer must acknowledge this clause.

## **Process**

- 3.1 Upon the sale or transfer of a new motor vehicle by a licensed dealer, the dealer shall make, execute and deliver to the purchaser or transferee a sufficient bill of sale and the Manufacturer's Certificate of Origin specific to that vehicle.
- 3.2 The Manufacturer's Certificate of Origin shall be assigned from the last licensed dealer who had possession of the vehicle to the purchaser or transferee. This assignment shall include disclosure of the odometer reading at the time of sale. All licensed dealers who have had the vehicle in their possession subsequent to the manufacturer must show in the assignment chain.
- 3.3 The Manufacturer's Certificate of Origin with the sufficient bill of sale and all other required documents shall be submitted to the purchaser's authorized agent in the county in which the purchaser is a resident.
- 3.4 The department or its authorized agent shall examine all submitted documents to verify that proper ownership has been established and that the purchaser or transferee is entitled to a Colorado Certificate of Title for the identified vehicle.
- 3.5 For vehicles directly imported into the United States through legal means, the following documents are required to establish ownership and must be included in the application for a Colorado Certificate of Title when a foreign Manufacturer's Certificate of Origin or foreign title is submitted.
  - A. The U.S. DOT certification that the vehicle meets all safety standards required in the United States.
  - B. The Application for Final Admission of Non-Conforming Imported Vehicle or Engine issued by the Environmental Protection Agency and EPA issued Certificate of Conformity.
  - C. The Entry Summary issued by the Department of Homeland Security, Bureau of Customs and Border Protection and the Release of Bond letter.
  - D. The bill of sale or invoice from the vehicle importer to the licensed Colorado dealer (if applicable).
  - E. The odometer reading disclosed on a secure form. The applicant taking title will disclose the mileage on the DR 2173 Motor Vehicle Bill of Sale. Unless it is known that the odometer is inoperable, the odometer indicator will be "Actual" .
  - F. A DR 2395 verification of the Vehicle Identification Number by a Licensed Colorado Motor Vehicle Dealer, a Law Enforcement Agency or the Authorized Agent. The completion date of this document cannot be more than one year at the time of title application.
- 3.6 For the issuance of a Colorado Certificate of Title for vehicles directly imported into the United States through legal means, when a foreign Manufactured Certificate of Origin or a foreign country title is not available, the documents identified above in rule 3.5 will be required in addition to:
  - A. An invoice certified by the manufacturer that the vehicle was purchased and paid for by the named importer, if available.
  - B. The Certificate of Conformity from the manufacturer literally translated in English for each specific vehicle including but not limited to VIN, place of manufacture, date of manufacture, and manufacturer name.

- C. In lieu of form DR 2395 required per 3.5 (F) of this rule, a completed DR 2704 Certified VIN Verification from a certified law enforcement officer. This replaces the Verification of Vehicle Identification Number listed above. The completion date of this document cannot be more than one year at the time of title application.
  - D. The DR 2539 Title Information Request and Receipt (Validated copy) of the title record search. This search must be completed through the Colorado title records and the state from which the vehicle was sold. This search will assist in verifying that the vehicle has not yet been titled in the United States. The completion date of the search cannot be more than one year at the time of title application.
  - E. DR 2423 Bond Statement Guide reciting the facts of the acquisition of the vehicle. The applicant for title must sign this document.
  - F. A certified weight slip indicating the empty weight of the vehicle.
  - G. An appraisal of the vehicle completed by a licensed Colorado Dealer. The appraisal must be for the current condition of the vehicle at the time of titling. An appraisal over fortydays old from date of appraisal to date of title application is not acceptable.
  - H. The applicant must post a surety bond for twice the appraised value of the vehicle. Dealerships establishing title in their name must post a surety bond for twice the wholesale value of a vehicle.
- 3.7 If all documents listed above and any additional documents required by the department or its authorized agent are determined to be true and support legal ownership, a Colorado Certificate of Title may be issued.