



Alabama Department  
of Revenue



Motor Vehicle Division

# Association of Alabama Tax Administrators



2020 Winter Conference



# 2020 Legislative Session

- Began February 4th
- MVD legislation tracking
  - <https://revenue.alabama.gov/motor-vehicle/reference-statistics/legislative-tracking/>



# Gas Tax

- Act 2019-2 (Effective: January 1, 2020)
- Rebuild Alabama Act Memo (October 1, 2019)
- Annual additional registration fee:
  - Battery electric vehicle \$200
  - Plug in hybrid electric vehicle \$100
- 2.5% commission retained by official
- Fees may only be prorated like other license fees
- Uniform Vehicle Valuation Manual includes fuel types:
  - E (electric) \$200 due
  - P (plug-in hybrid) \$100 due
  - H (hybrid) ask registrant if plug-in



# Gas Tax

- Attorney General Opinion 2020-005:
  - State portion of fees shall be deposited in the State General Fund until the total annual registrations of battery electric and plug-in hybrids exceed four percent of the total annual registrations.
    - Comptroller memo dated 12/23/19 says hold funds until receive further instruction from their offices.
  - Treasurer may not distribute proceeds to counties or cities.
  - Fees must be prorated in same manner as license fees for other motor vehicles that may be acquired or first brought into the state (40-12-259).
  - If prorated amount collected, it shall be distributed proportionally to state, counties and cities with any remainder to the Rebuild AL Fund.



# Proposed Gas Tax Amendment

- The proceeds of the annual license taxes and registration fees to be distributed to counties and municipalities pursuant to subsection (f) of Section 40-12-242, as amended by Act 2019-2, shall be distributed by the same entity responsible for the distribution under subdivisions (2) and (3) of subsection (c) of Section 40-17-371, as created by Act 2019-2.
- This act shall become effective immediately, following its passage and approval by the Governor, or upon its otherwise becoming law.

# Realtor License Plate

- Act 2019-138
- Effective: January 1, 2020
- Redirects proceeds from sale of the Alabama Association of Realtors distinctive license plates from the Alabama Children's Trust Fund to the Alabama Realtors Foundation



# EMS License Plate

- Act 2019-418 (Effective: January 1, 2020)
- Creates Emergency Medical Services Provider distinctive license plate
  - Additional fee of \$50
- Issued to licensed EMSP
  - Verified through ADPH Office of EMS website





# Title Service Provider

- Act 2019-238 (Effective: October 1, 2019)
- Allows a title service provider to perform designated agent duties for a licensed dealer
  - Application package available online
- Title service provider
  - Any person who acts as an agent for a licensed dealer
  - Must be bonded like a designated agent
  - Designated agent cannot do work for another designated agent
- Admin Rule 810-5-75-.52.01
- Notify MVD of anyone in your county acting as an unregistered title service provider

## Fleet Online Registration & Tax (FORT)

- Act 2019-129 (Effective: May 8, 2019)
- Establish Advisory Committee – met 11/20 and 1/22
- DOR portal to allow registration and renewal of fleet vehicles (January 1, 2022)
- Fleet – 50 or more vehicles less than 12,000 lbs.
- DOR will calculate ad valorem tax and issue “fleet” license plate
- DOR rule making authority to expand to other vehicles (i.e. IRP)



# Abandoned Vehicles

- Act 2019-245 (Effective: January 1, 2020)
- Affects vehicles reported unclaimed on or after 1/1/20
- Increases title hold from 45 to 60 days
  - Unless vehicle is redeemed or sold as abandoned
- Purchaser must post title surety bond if vehicle is not sold by a bonded agent
  - Towing companies may become designated agents under rule 810-5-75-.52
  - Revised Abandoned Bill of Sale
  - Message on ALTS Pre-qualifier Screen
- Purchaser has one year to apply for title without posting bond if vehicle is purchased from bonded agent

# Manufactured Homes

- Act 2019-239 (Effective: January 1, 2020)
- Exempts year models 1999 & older
- Expands titling of MH to MH's older than 20 model years
- Clarifies additional \$5 MH title fee shall be collected for each unit (side) of a MH subject to titling
- System changes
  - Updated edits in ALTS & Surety Bond Portal



# Temporary Tag for Transporters

- Bill number: H 106
- Sponsor: Ledbetter
- Drive out operations (i.e. transporters) may issue temporary (20-day) tags
- Transporters must be bonded
- Add house trailer to travel trailer definition 32-8-2
- Add self-propelled camper or house car definition to 32-8-2 – includes motor homes and RVs
- Effective – October 1, 2020



# Disabled Veteran Fees

- Bill Number: H 80
- Sponsor: Marques
- Exempts DVs from \$1.25 issuance fee
- Effective – January 1, 2021



# Disability Access Placards

- S 11
- Sponsor – Whatley
- Removable windshield placards shall include photo of individual with disability
- Photo of DL or non-driver ID on file with DOT
- Effective – 1<sup>st</sup> day of 3<sup>rd</sup> month following passage and approval by governor



# Distinctive Tags

- No bill number or sponsor
- All distinctive tags required to go through LOC for reissuance/redesign every 5 years
- Military tags exempt
- College/university tag designs must be approved by LOC
- Fee for distinctive tag applications not to exceed \$100
- Requires military members to recertify at tag reissuance
- Effective – 1<sup>st</sup> day of 3<sup>rd</sup> month



# IRP & IFTA Waivers

- Bill number: S 112/H 180
- Sponsor: Figures/McMillan
- Allows commissioner of revenue to waive IRP and IFTA licensing requirements for vehicles engaged in interstate disaster relief efforts when the president or governor has declared a state emergency or disaster
- Effective: Immediately upon passage



# Elmore County

- Bill number: S 96
- Sponsor: Chambliss
- Transfers licensing duties from probate judge to revenue commissioner
- Effective: July 1, 2020



# Non-conforming LSVs

- Bill number: S 63/H 78
- Sponsors: Chambliss, Ingram & Holmes
- Disallows non-conforming LSVs from operating on the public highways unless provided by local ordinance
- Mirrors LSV definition in 49 CFR 571.500
- Excludes LSVs operated by public universities, mini-trucks, or agricultural equipment
- Permits LSVs to cross public highways
- Effective: 1<sup>st</sup> day of 3<sup>rd</sup> month following passage



# Release of MV Data

- Bill number: H 54
- Sponsor: Hall
- Prohibits a state agency that collects or maintains data containing personal information of an Alabama resident from giving or selling the personal information of an Alabama resident to a third party.
- Effective: 1<sup>st</sup> day of 3<sup>rd</sup> month following passage



# Dealer License

- No bill number or sponsor yet
- Eliminates temporary 7-day auction transit tag
- Creates auction tag for licensed auctions
- Auction required to be licensed, bonded and insured
- Effective – October 1, 2020



# Dealer Tags

- Bill number: S 148
- Sponsor: Albritton
- Increases number of dealer tags allowed to be purchased by used vehicle dealer from 5 to 10
- Effective: October 1, 2020



# Non-interstate Tag (Rule)

- Amend rule 810-5-1-.238
- Issue non-interstate tags to LSVs
- Issued to LSVs that meet FMVSS or federal definition of LSV
- Effective: July 2020?



# Administrative Rules

- Sign up on DOR website to receive rule hearing notices
- Sunset provision – must review rules every 5 years
- Rules on MVD website



# ALTS Updates

- ETAPS API service no longer available (Dec. 2, 2019)
- DA Lockout Feature
  - Apps must be received by ADOR within thirty (30) days from creation
  - Apps may be placed on “HOLD” for an additional thirty (30) days
  - **Live February 12, 2020**
- Adding a lienholder question in ALTS
  - Must be answered prior to completing application
  - Update to the API service
- Adding a field to ALTS for “Vehicle Trim Packages”
  - Update to the API service



# ALTS Updates

- Public Title Portal (<https://title.mvtrip.alabama.gov/>)
  - Apply for Replacement Title
  - Check Application Status
  - Check Undeliverable Titles
  - Applications Coming Soon (Add lien, Salvage, Rebuilt Owner Retention)
- Document Upload Feature
- NMVTIS Webservice Integration
  - Validate OOS Title Information
  - Lien Verification
  - Check for Brands (i.e. Junk, Salvage, Rebuilt, etc.)
  - Stolen Vehicle Check



# Dealer License & Tags

- Act 2019-244 (Effective: October 1, 2020)
- Result of HJR14 (2018) to research and draft recommendations to combat curbstoning and abandoned vehicle fraud
- DOR responsible for issuing dealer tags
- Dealer must have state regulatory license and county license before tag is issued
- Metal DT tag replaced by temporary 7-day DT tag issued by DOR



# Dealer License & Tags

- Temporary DT/Auction tag - \$5
- Manufacturer tags issued by DOR
- Penalty for first violation of dealer tag law increased from \$100 to \$200
- Local official cannot collect ad valorem or sales tax on vehicle in dealer inventory when “standard” plate is issued
  - Must provide MSO or reassigned title as evidence of vehicle inventory



# Dealer License & Tags

- Creates master dealer license – eliminates separate wholesale and rebuilder license
- Penalty for delinquent dealer license - 15% of license fee after grace period (Oct)
- Increases bond from \$25K to \$50K
- Allows DOR to adjust license fee - \$125
- Penalty for failure to obtain license
  - \$500 for first offense
  - \$1,000 for second or subsequent offense



# Dealer License & Tags

- No person, other than licensed dealer, may sell vehicle without title reflecting person as owner
- Local licensing official or law enforcement may impound vehicle



# Dealer License & Tags

- Creates “facilitator” license for off-site sales - \$25
- Facilitator is any person who facilitates an off-site sale, including the property owner
- Must apply for license 10 days before sale
- Facilitator must provide names of participating licensed dealers who must also obtain an off-site license prior to sale
- Penalties: 1<sup>st</sup> - \$500 2<sup>nd</sup> - \$1,000



# Dealer License & Tags

- Creates motor vehicle wholesale auction license issued by DOR
- Any person in the business of buying, selling, exchanging or facilitating the sale of vehicles at wholesale to licensed dealers
- Licensed and bonded similar to dealer
- DOR may establish electronic reporting requirements regarding sale of vehicles



# Licensing System

- Allows dealer or dismantler to apply for license online
  - Licensing official should check system before privilege license is issued
- Displays status of license - should be checked before privilege license and dealer tags are issued
- Changes effective October 1<sup>st</sup> :
  - Applicant must upload privilege license to receive dealer tags from the MVD



# Temporary Tag Report

- Created by PROS
- Fees remitted to Comptroller's Office
- Remit on 20<sup>th</sup> of each month – same as other fees (Ex. Dec. on Jan. 20<sup>th</sup>)
- Upload Comptroller report (40-12-270) to secure FTP folder
  - Separate DOT report discontinued



# MLI Reports

- Fees remitted to Comptroller on 20<sup>th</sup> of the month
- 10% reinstatement fees on Dec. report
- 15% reinstatement fees on Jan. report and moving forward
- Comptroller report breakdown
  - 85% to general fund
  - 15% to POAF (this is not the 15% to be retained for reinstatement fees)



# Records Requests

- New public portal
  - Law Enforcement not charged for requests
- Title records
- Registration records
- Abandoned vehicle records (title & registration)
- Title histories
- Alabama Interactive subscribers (ex. private investigators)
- Reminder - licensing offices can provide current registration record to law enforcement

# Tag Redesigns

- Auburn University-1/1/2020



- Birmingham Southern College-11/1/19



- Faulkner University-11/1/19

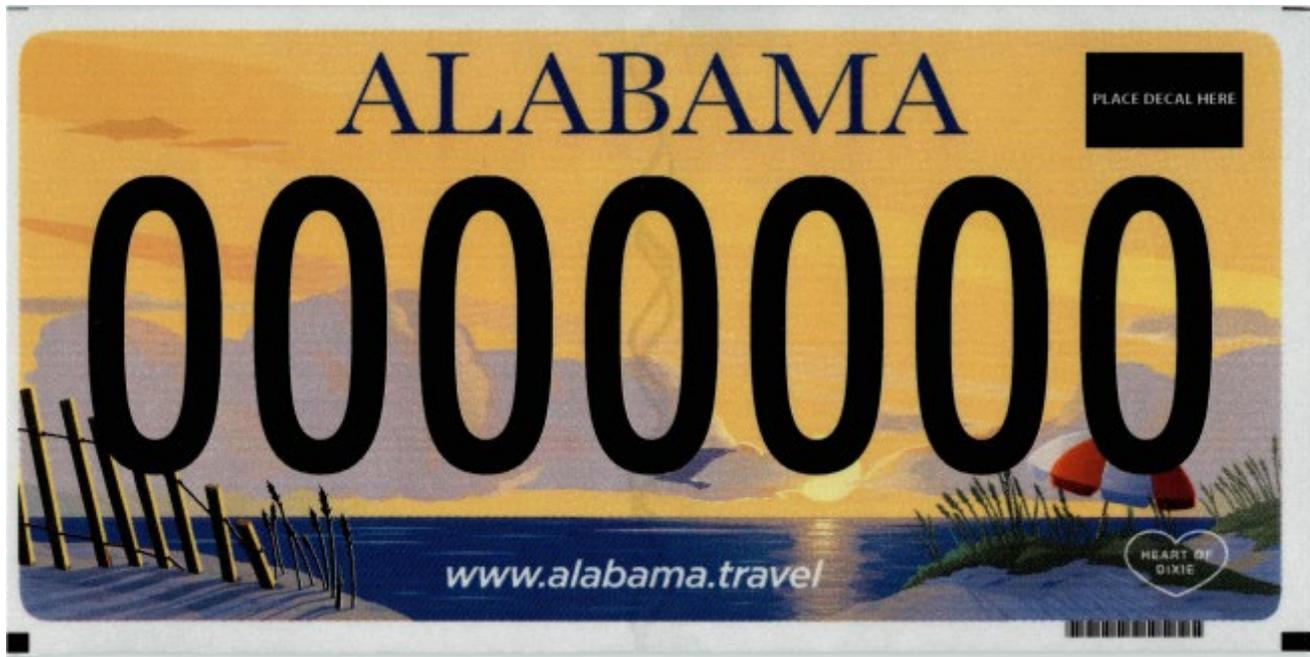


- University of Mobile-1/1/2020



# Standard License Plate

Issuance beginning 2022



# God Bless License Plate

- Next redesign in 2023



# Bicentennial License Plate

- Plate can be renewed through 12/31/2020





# Mandatory Liability Insurance

- Act 2019-446 (Effective: January 1, 2020)
- Eliminate 4 mo. suspension period
- Reduce lookback period for 2<sup>nd</sup> and subsequent violations to 3 years
- Increase licensing official's commission on reinstatement fee from 10% to 15%
- Change distribution date to 20<sup>th</sup> of the month
- Increase annual amount retained by licensing official's office from \$10K to \$25K



# Mandatory Liability Insurance

- Tag must be surrendered to official when claiming stored/inoperable exemption
  - Voluntarily Surrender prior to insurance lapse
  - Within 30 calendar days from receipt of MLI Notice
  - Use Form MV 32-7A-5 Request for Registration Revocation to surrender tag
- County registration record must be updated to “revoked” and uploaded to DOR
- Exempt response can only be claimed once per year per vehicle



# Mandatory Liability Insurance

- Exempt response cannot be claimed if vehicle was involved in crash or citation (MLI system links) during time period registrant claims exemption
- Rule 810-5-8-.06 establishes “good cause” exceptions
  - Use Form MV 32-7A-11 Mandatory Liability Insurance Affidavit
- Documentation and completed forms should be uploaded to MLI system
- Revocation notice may be printed by licensing office from MLI system



# MLI Exempt Situations

- Exempt Responses: Correspondences dated prior to 12/18/19:
  - Manually update the record to VR, and plate does not have to be surrendered.
- Exempt Responses: Tag Not Available to Surrender
  - Due to being stolen, transferred to another vehicle, left on sold vehicle, moved out of state, vehicle totaled, etc.
  - Have Registrant Provide Documentation (bill of sale, police report, total loss payoff from insurer, etc.) and manually update record to VR.
  - Form MV 32-7A-5 MLI Affidavit being updated to include documentation submitted instead of plate, when plate cannot be surrendered.



# Mandatory Liability Insurance

- Reinstatement Fees
  - Collected only at a local licensing office (32-7A-12)
  - Department, including Taxpayer Service Centers, can no longer accept payments
  - Reinstatement notice may be printed by licensing office from MLI system



# MVTRIP Notifications

- Must have MVTRIP account
- Each user should have their own email address
- Pilot county calls
- Webinars?



# Contact Us

- Telephone number: (334) 242-9000
- Licensing Offices select option 5
- Provide name, county and reason for call
- MVD staff should identify themselves
- email: [MVD@revenue.alabama.gov](mailto:MVD@revenue.alabama.gov)
- Report any issues to MVD management