

# Plain Dealing

A policy and administrative bulletin for licensed dealers  
from the WisDOT DMV Dealer and Agent Section



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### MV2874 Motorcycle Buyer's Guide form updated

WisDOT recently made an important change to the MV2874 motorcycle buyers guide form.

An option was added under the Motorcycle Equipment Requirements checklist to disclose the operating condition of the vehicle's license plate lamps, as required by Wis. Stat. §347.13(3). We recommend that dealers transition to this new version of the form as soon as possible.

Dealers who are using previous versions of the form must still disclose the condition of license plate lamps as required by law.

The condition of license plates lamps must also be disclosed for other type of motor vehicles, in addition to motorcycles. The MV2372 Wisconsin Buyer's Guide, for use with autos and trucks, includes an option that covers all lights on the vehicle, including license plate lamps.

The updated MV2874 is now available to order from third-party vendors.



### Dealer processing training is Tuesday, Nov. 16th

Starting in November, The Dealer & Agent Section will provide quarterly title and registration processing training for Wisconsin dealers. The training sessions will cover the following:

- Processing Basics
  - Common Errors



- Frequently Asked Questions
- eMV PARTNER Website
  - Organization Management
- eMV PARTNER Processing
  - PARTNER basics
  - System capabilities
  - Processing demos

The first training session will occur at noon on Tuesday, November 16<sup>th</sup>. The format of the training session will be virtual, via Microsoft TEAMS. Training will focus on dealer processing capabilities; other types of third-party processing will not be covered in this session.

Registration is not required. Simply use the link below to join the training session.

The training session will be recorded and later accessible on the WisDOT website alongside related course materials.

### Microsoft Teams meeting

Join on your computer or mobile app

[Click here to join the meeting](#)

## Performing markups above MSRP

**MSRP**                    ~~**\$40,000**~~



**OUR PRICE**        **\$45,000**

The Department has received many questions regarding markups over Manufacturer Suggested Retail Price (MSRP) on vehicles.

State law does not prohibit dealers from pricing new vehicles above MSRP, but all markups must be clearly itemized and included in the price of a vehicle when advertised, and a disclaimer must be included that says the vehicle selling price is above the suggested retail price set by the manufacturer.

Similarly, used vehicle pricing is at the discretion of the selling dealer. Used vehicle prices cannot be compared to original MSRP, and no specific disclosure is required.

Dealers should also be aware that laws prohibiting price gouging during declared emergency periods also apply to motor vehicle dealers. Wis. Admin. Code ch. ATCP 106.02 prohibits dealers from selling vehicles at a price greater than 15% above the highest price at which a similar vehicle was sold in the 60-day period immediately prior to the emergency declaration.

If you have questions about advertising dealer markups on vehicles, please contact Tristan Kloss at [Tristan.Kloss@dot.wi.gov](mailto:Tristan.Kloss@dot.wi.gov).

## Vehicle pricing with dealer add-ons

The cost of dealer add-ons must be itemized and included in any advertised price when:

- a dealer installs accessories or includes add-ons (e.g. special protection packages, third party warranties, etc.) to a vehicle at the time it is offered for sale
- the add-on was not included at the customer's consent
- the consumer is charged the cost of the add-on when purchasing the vehicle.

Even if the dealer is willing to negotiate the add-on cost with the customer, or the dealer ultimately negotiates the cost of the add-ons to zero, the advertised price must reflect the cost of dealer add-ons.



This does not apply to accessories or add-ons that are installed at the request of the customer or as a condition of the sale.

Wis. Admin. Code ch. Trans. 139.03(3)(a) states that any advertised price must include all charges a consumer will pay to purchase the vehicle less tax, title, registration, and optional service fee. The Department requires dealers to honor advertised pricing. As a dealer, you may see dealer-installed add-ons as one way to increase profitability on each vehicle, but incorrect pricing practices will ultimately cost you money.

If you have questions about advertising dealer markups on vehicles, please contact Tristan Kloss at [Tristan.Kloss@dot.wi.gov](mailto:Tristan.Kloss@dot.wi.gov).

## Can I take a Canadian vehicle in on trade?



You just discovered your customer's trade-in vehicle was manufactured for sale in Canada. Should you take it in on trade? How can you confirm it can be legally operated in the US?

The National Highway Transportation Safety Administration (NHTSA) allows vehicles to be imported for private use and resale. Federal and state law requires vehicles to meet US standards to be legally operated on highways. Canadian vehicles not correctly imported to the US may be ineligible for title and/or registration, significantly impacting their resale value.

### Who can import vehicles?

Registered Importers (RI) are recognized by the NHTSA to legally import foreign vehicles to the US. RIs affix an importer sticker to the door jamb to certify the vehicle meets US standards. Vehicles displaying the importer sticker can be titled and registered in Wisconsin.

Private individuals may also import vehicles for their personal use. **Do not let the presence of a title fool you.** An imported vehicle may be issued a title, even if it doesn't meet US standards. Vehicles that do not meet US standards can be titled but are not eligible for registration and cannot be legally operated on public roadways.

If a dealer acquires a non-standard vehicle in trade and want the vehicle to be both titled *and* registered, they need to work with a RI to bring it up to US standards. Many RIs will not work on a vehicle they did not import themselves. This adds time and hassle when attempting to resell the vehicle.

### **What paperwork accompanies a Canadian vehicle imported from a RI?**

When purchasing a vehicle directly from a RI, you will receive the following documents:

- Bond release letter from NHTSA
- Statement of Conformity
- HS-7 Declaration
- Canadian registration documents

When submitting a title and registration application to WisDOT, you must include a photograph of the Federal Certification Label, or the RI label showing the vehicle has been modified to meet US standards.

### **How can I tell if a privately imported vehicle can be legally operated on public roads?**

You can ask the customer to show you a copy of the HS-7 Declaration form to determine how the vehicle was imported. If the declaration form certifies the vehicle was imported under Box 2A or 2B, it meets US standards. If it was imported for any other reason, it does not meet US standards.

### **Is the vehicle new, or used?**

Canadian vehicles do not have titles. As a result, an imported vehicle *may* still be considered “new.” Wisconsin law defines a used vehicle as

- Having been operated more than 6,000 miles OR
- Having been operated more than 4,000 cumulative miles, and owned more than 120 days by the licensee currently offering the vehicle for sale OR
- Is a previous model year

If the vehicle does not meet one of these definitions, it is still considered “new” and can only be offered for sale by the franchised dealership.

### **What about vehicles sold at auction?**

Auctions offer a platform for dealers to buy and sell vehicles. Auctions must disclose vehicle material history and prior use and facilitate the delivery of the vehicle title from selling to purchasing dealer. They are not required to verify the vehicle was properly imported.

When vehicle history and prior use indicates the vehicle is a Canadian import, purchasing dealers should check for an importer sticker.

## **New special plates now available**

DMV began issuing the following new special plates effective October 4<sup>th</sup>, 2021.

### [Elkhart Lake’s Road America \(RAM\)](#)

The world's best racers have competed at this legendary four-mile, 14-turn road circuit since 1955. Along with over 500 events held seasonally at the 640-acre facility, several major motorsports weekends are open to the public.

Anyone is eligible to request this plate. This is not a donation plate; however, there is an issuance fee of \$15.

### [Versiti \(VST\)](#)

Versiti is a not-for-profit organization with a mission to improve patient outcomes, to advance the field of personalized medicine, and to strengthen the health of communities through an integration of donation, scientific innovation, and medicine.

Anyone is eligible to request this plate. This is not a donation plate; however, there is an issuance fee of \$15.



# WisDOT is now accepting electronic dealer bonds

Bonds and Irrevocable Letter of Credit (ILOC) documents can now be submitted electronically.

When submitting a bond or ILOC, email it to: [emvpartner@dot.wi.gov](mailto:emvpartner@dot.wi.gov).

Electronic bonds and ILOCs must meet the same criteria as original documents.

Bonds must be completed on either form [MV2511](#) (WI dealers) or [MV2623](#) (3<sup>rd</sup> party title and/or registration agents) and include the organization's legal business name (no DBAs). The insurance seal must be clearly visible and be accompanied by a Power of Attorney (POA) form.

ILOCs must be completed on either form [MV1046](#) (WI Dealers) or [MV2624](#) (3<sup>rd</sup> party title and/or registration agents) and include the organization's legal business name (no DBAs). The notary seal must be clearly visible.

WisDOT sends courtesy notices to dealers and agents when a bond is cancelled, or an ILOC is set to expire. Soon we will begin sending these notices by email.

Wisconsin law requires each dealer to maintain a bond or ILOC. Electronic bonds allow WisDOT to review documents more quickly, avoiding suspension of a license due to a lack of financial requirements. Switching to electronic records also allows you to keep the original document, avoiding mailing costs and potential document loss.



# Quarterly Report

The following numbers have been generated from the Dealer and Agent Section (DAS) Quarterly Report. This data is from the July - Sept. 2021 quarter.

## Field Investigation Unit (FIU)

The following statistics represent the Field Investigation Unit's compliance efforts, community outreach and enforcement actions.

Activity	Total
Complaints closed	243
Dealer inspections	127
Educational presentations	0

## APU/DLU

The Agent Partnership Unit (APU) answers phone calls from dealers, government agencies, financial institutions, gas stations, grocery stores and various other types of agents throughout the state. These agents electronically process either title and registration, or renewal registration applications on behalf of the DMV.

The Dealer Licensing Unit (DLU) issues and renews multiple business license types. Individual licenses are issued to individuals who are selling or purchasing vehicles on behalf of dealerships. DLU answers dealer licensing questions as well as provides information about consumer harm and how to file a dealer complaint to the general public.

Activity	Total
APU phone calls	10,197
DLU phone calls	3,721
Business licenses issued	4,682
Individual licenses issued	1,195

## Lemon Law

DMV receives telephone and email inquiries from consumers, dealers, lawyers, manufacturers, and law makers. The inquiries range from questions about the specifics of the Lemon Law, to assisting all facets of pursuing a claim.

Activity	Total
Lemon Law inquiries	128

## FIU Enforcement Actions

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