

DEPARTMENT OF REVENUE

Division of Motor Vehicles –Vehicle Services Section

1 CCR 204-10

RULE 8. DEALER TITLE

Basis: The statutory bases for this rule are 42-6-102(2), 42-6-104, 42-6-111(2), 42-6-137(6), and 42-6-138(4), C.R.S.

Purpose: The purpose of this rule is to establish requirements for a motor vehicle dealer or wholesaler for providing proof of ownership and for the processing of certificates of title.

1.0 Definitions

- 1.1 “Agent” means an individual authorized by a dealer or wholesaler to act on behalf of that dealer or wholesaler.
- 1.2 “Assigned” means a certificate of title or MCO that is signed by a seller and accompanied by the Colorado dealer’s bill of sale for motor vehicle to evidence the chain of ownership progression to the dealer or wholesaler.
- 1.3 “Manufacturer’s Certificate of Origin” or “MCO” has the same meaning as Colorado Code of Regulation 1 CCR 204-10 Rule 22. Manufacturer’s Certificate of Origin – Requirements and Use.
- 1.4 “Working Day” means the daily period beginning at 8:00 a.m. and ending at 5:00 p.m. Monday through Friday, with the exception of those days designated as official State of Colorado holidays by statute or Executive Order of the Governor.
- 1.5 “Secure and Verifiable Identification” means a document issued by a state or federal jurisdiction or recognized by the United States Government and that is verifiable by federal or state law enforcement, intelligence, or the Homeland Security Agency.
- 1.6 “Letter of Authorization” means an authorization on a dealer’s or wholesaler’s letterhead from a designated representative of a dealer or wholesaler to the Department authorizing a specific person to act as an Agent for the dealer or the wholesaler.
- 1.7 “Third Party Provider” means an electronic vehicle or special mobile machinery registration, lien, or titling service provider that is approved by the Department to perform the registration, lien, and titling functions set forth in articles 1 to 6 of Title 42, as defined in 42-1-102(102.8), C.R.S.

2.0 Proof of Ownership Requirements

2.1 A Colorado dealer or wholesaler must maintain the following proof of ownership for each vehicle in their possession:

- a. If the vehicle is a used vehicle with a Colorado certificate of title:
 - 1. A Colorado certificate of title Assigned to the dealer or wholesaler; and,
 - 2. Odometer disclosure if required.
- b. If the vehicle is a used vehicle with an out-of-state certificate of title:
 - 1. The out-of-state certificate of title Assigned to the dealer or wholesaler; and,
 - 2. Odometer disclosure if required; and,
 - 3. Colorado Dealer's Out-of-State Vehicle Information Disclosure; and,
 - 4. Colorado verification of vehicle identification number.
- c. A new vehicle Assigned by MCO to a dealer or wholesaler:
 - 1. MCO Assigned or re-Assigned to a franchised dealer or wholesaler; and,
 - 2. Odometer disclosure if required.
 - 3. A dealer or wholesaler shall not hold a MCO unless that dealer or wholesaler is franchised to sell that specific make of vehicle as indicated on the MCO.
- d. A new vehicle Assigned or re-Assigned with its MCO from an out-of-state franchised dealer or wholesaler to a franchised Colorado dealer or wholesaler:
 - 1. MCO re-Assigned to the franchised dealer or wholesaler; and,
 - 2. Odometer disclosure if required; and,
 - 3. A dealer or wholesaler shall not hold a MCO unless that dealer or wholesaler is franchised to sell that specific make of vehicle as indicated on the MCO.
- e. A vehicle with incomplete or insufficient certificate of title shall be marked "Not for Sale" and withheld from any public offering.

3.0 Requirements for Obtaining Certificate of Title in One Working Day

- 3.1 A dealer or wholesaler may obtain a “dealer resale” certificate of title in the licensed name of the dealer or wholesaler at the Department of Revenue, by making a “3 Dealer Title” appointment at the Lakewood office; limited to one appointment per company. A maximum of 3 dealer titles will be processed in this manner per company. The required documents, as outlined in section 4.0 below, and payment of the statutorily required fee are required.
- 3.2 A dealer or wholesaler may obtain up to a maximum of 3 “dealer resale” certificates of title in the licensed name of the dealer or wholesaler, at their county motor vehicle office, through appointment or walk-in (based on that county’s transaction policies).
- 3.3 A dealer or wholesaler requesting the Department issue a certificate of title to an Agent must provide a Letter of Authorization, listing the names of all persons who will be acting as Agents on their behalf. Letters of Authorization will be kept on file at the Department. It shall be the responsibility of the dealer or wholesaler to notify the Department of any changes in Agents. A person attempting to obtain a Dealer Resale certificate of title that is not listed on the dealer’s or wholesaler’s Letter of Authorization will not be permitted to receive the certificate of title. If the dealer, wholesaler, or Agent fails to pick up the certificate of title after one Working Day the Department may choose to hold the certificate of title until it is picked up or mail it to the dealer or wholesaler.
- 3.4 The Agent shall be required to present Secure and Verifiable Identification at the time of application and upon receipt of a certificate of title. The Agent shall sign a receipt verifying receipt of the certificate of title.
- 3.5 An Agent representing more than one dealer or wholesaler must have a Letter of Authorization from each dealer or wholesaler for which the Agent is an authorized Agent in order to obtain a certificate of title on behalf of that dealer or wholesaler.

4.0 Requirements for Acceptance of Applications for Dealer Resale Certificate of Title

- 4.1 An application for dealer resale certificate of title will only be accepted when:
 - a. The supporting ownership document is a MCO properly Assigned to a dealer or wholesaler or re-Assigned to a dealer or wholesaler; or,
 - b. The supporting ownership document is a certificate of title properly Assigned to a dealer or wholesaler; or,
 - c. The supporting ownership document is a salvage certificate of title for a vehicle that has been made roadworthy, as defined in section 42-6-102(15), C.R.S., and is being submitted for a dealer resale certificate of title in the dealer's or wholesaler's name.

- 4.2 An application for a dealer resale certificate of title must be free and clear of all liens and encumbrances.
- 4.3 An application for a dealer resale certificate of title must be complete and contain all required documents listed in section 2.0 Proof of Ownership Requirements above.
- 4.4 The Department may limit dealer resale certificate of title applications to three applications per dealer, wholesaler or Agent per Working Day. Additional applications above the maximum limit of three may not be processed in one Working Day.

5.0 Dealer Resale Certificate of Title Application Processing Timeframes

- 5.1 Dealer titles shall be processed as listed in sections 3.1 and 3.2.
- 5.2 Processing is contingent upon an application meeting requirements, receiving payment, passing Department auditing of the application and documents, and extraordinary circumstances beyond the control of the Department.
- 5.3 Dealer resale titles may also be dropped off at (or mailed to) the state or county offices; dropped off dealer titles will be available for pickup within 5 business days.
- 5.4 Dealer resale titles obtained through a Third Party Provider are not subject to the timeframes referenced in this section 5.0.
- 5.5 A dealer or wholesaler may request overnight mail service of a dealer resale certificate of title. If overnight mail service is requested the dealer or wholesaler must provide the state or county a pre-paid return envelope. Otherwise, the agency will mail any dealer resale certificate of title that is not picked up or overnight mailed by first class mail to the dealer or wholesaler.
- 5.6 A dealer resale certificate of title that is not picked up by the dealer, wholesaler, or Agent within eight Working Days of submitting the application will be mailed to the dealer or wholesaler. If mailing instructions are not provided to the state or county with the application, the dealer resale certificate of title will be destroyed, and the dealer or wholesaler will be required to apply for a duplicate title.

6.0 Duplicate Certificates of Title

- 6.1 Only licensed Colorado dealers or wholesalers may, at the Department's discretion, obtain duplicate certificates of title directly from the Department.
- 6.2 A dealer or wholesaler may obtain a duplicate certificate of title for a vehicle that has been "traded-in" to them, but the owner has lost, misplaced, or accidentally destroyed the certificate of title.

- 6.3 The dealer or wholesaler must provide a power of attorney from the previous owner and the vehicle must be in the dealer's or wholesaler's possession before an application for a duplicate certificate of title will be accepted.
- 6.4 A duplicate certificate of title showing an active recorded lien will not be provided to a dealer or wholesaler. If a proper lien release is submitted with a duplicate certificate of title application, the satisfied lien will be removed from the vehicle record and a duplicate certificate of title will be provided to the dealer or wholesaler.

7.0 Payment

- 7.1 An application for a dealer resale certificate of title will not be processed until all statutorily required fees are paid. -
- 7.2 A check returned for insufficient funds will require any and all future payments by that dealer or wholesaler to be made by cash or certified funds.
- 7.3 Refunds will be processed at the discretion of the Department.

8.0 Appeals

- 8.1 If a dealer or wholesaler has been denied issuance of a dealer resale certificate of title or a duplicate title, the dealer or wholesaler may request a hearing, in writing, within 60 days after the date of the notice of denial. Written hearing requests shall be submitted to the Department of Revenue, Hearings Division.
- 8.2 The hearing shall be held at the Department of Revenue, Hearings Division. The presiding hearing officer shall be an authorized representative designated by the Executive Director. The Department's representative need not be present at the hearing unless the presiding hearing officer requires his or her presence or the dealer or wholesaler requests his or her presence in writing. If the Department's representative is not present at the hearing, the hearing officer has the discretion to consider any written documents and affidavits submitted by the Department.