



**Newsletter of the  
Colorado Motor Vehicle  
Dealer Board  
and  
Auto Industry  
Division**

## Eric Hartsough Joins the Division

Division Director Robert Sexton has appointed Eric Hartsough as a Criminal Investigator for the Auto Industry Division. Eric replaces Richard Predovich, who transferred to our Western slope office.

Eric is a native of Colorado and comes to the Division with 20 years of law enforcement experience specializing in white collar complex investigations involving, financial and securities fraud. He started his career with the Denver Police Department assigned to the Denver District Attorney's Office and spent seven years conducting background investigations on corporations for the Department of Revenue, Division of Gaming. Eric stated that he ac-

cepted the position with the Auto Industry Division due to the professionalism that Director Sexton and Agent-in-Charge Tardy has brought to the Division. He looks forward to adding to that professionalism and is excited about the positive future of the Division as it works to support the Motor Vehicle Licensing Board in its endeavor to bring trust and integrity to the industry.

### ROUTING BOX

Owner  
Finance Manager  
General Manager ✓  
Sales Manager

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## MASTERY EXAM

The new Mastery Exam and Answer Key has been completed and will be mailed to all dealers August 1, 2006. The new exam will be implemented September 1, 2006 and will be available for downloading from our webpage [www.revenue.state.co.us/dlr/home.asp](http://www.revenue.state.co.us/dlr/home.asp). The old exam will become obsolete as of October 1, 2006. The old exam will not be accepted after this date. If you have any questions, please contact Kaye Kopecky at 303-205-5784.

### License Renewal-Salesperson

If your dealership has been mailed a "short form" renewal for your salespeople please make sure to submit the original continuation bond with the renewal. Any questions please contact Bud Heinrich at 303-205-5729 or email him at [dheinrich@spike.dor.state.co.us](mailto:dheinrich@spike.dor.state.co.us).

## WHEELS MAILING

Just a reminder to dealers that the "Wheels" newsletter is no longer being mailed to the dealer's place of business. The Wheels are now being emailed to the dealers that have provided the Auto Industry Division with an email address. If you do not have an email address please contact the division and we will be happy to mail you a copy. The Wheels, past and present, are available on our webpage, [www.revenue.state.co.us/dlr/home.asp](http://www.revenue.state.co.us/dlr/home.asp). If you would like to be on our email list or would like a copy mailed to you, please contact Kaye Kopecky, Assistant to the Director, at 303-205-5784 or send an email to [dealers@spike.dor.state.co.us](mailto:dealers@spike.dor.state.co.us).



## Secure and Verifiable Identification

Based on questions, concerns and suggestions received by the counties, dealers and financial institutions a 30-day extension will be granted to allow all entities time to implement the requirements concerning secure and verifiable identification. The following requirements will be effective July 1, 2006:

- No photocopies of secure and verifiable identification will be required. In lieu of photocopies, secure and verifiable identification information will be recorded on existing forms. Non-secure forms will be available electronically no later than June 1, 2006. Notification will be sent when the revised secure forms are available for purchase.
  - Photocopies of a named owners "grantors" secure and verifiable identification information will no longer be required for all new title, duplicate title, new registration, new temporary registration and new placard applications however, the following forms have been revised to provide an area to record this information. This will include the type of secure and verifiable identification presented, the name as it appears, ID number, expire date and date of birth. Attestment to the secure and verifiable identification viewed by the motor vehicle clerk, dealer, lien holder or notary will be required on the following forms:
    - DR 2174 Secure Power of Attorney
    - DR 2175 Non-Secure Power of Attorney (notary is required)
    - DR 2395 Title Application
    - DR 2539A Duplicate Title Application (for vehicles purchased on or after July 1, 2006)
    - DR 2219 Application for Disability Parking Privileges
    - DR 2407 Dealers Bill of Sale for a Motor Vehicle
    - DR 2421 Statement of One in the Same
    - DR 2842 Supplemental Secure and Verifiable Identification Information and Attestation Clause (New form soon to be released)
  - The DR 2842 may be used as an attachment to existing forms inventory, which does not contain the secure and verifiable identification information or attestment. This form should be included with the documents being presented.
  - Photocopies of a dealer's agent, lien holder's agent or personal agent's secure and verifiable identification will no longer be required however it must be presented and recorded in DDP for all new title, new registration, new temporary registration and new placard applications. This will include the type of secure and verifiable identification presented, the name as it appears, ID number, expire date and date of birth. Attestment to the secure and verifiable identification viewed by the motor vehicle clerk will print on every title application and new registration receipt; the motor vehicle clerk's signature is required.
  - Secure and verifiable identification is required for all duplicate title applications with a purchase date on or after July 1, 2006. This will include the type of secure and verifiable identification presented, the name as it appears, ID number, expire date and date of birth. Attestment to the secure and verifiable identification viewed by the motor vehicle clerk will print on every duplicate title application (bar code); the motor vehicle clerk's signature is required. \*\*NOTE Identification will still be required for all duplicate titles, although secure and verifiable identification is required for vehicles purchased on and after July 1, 2006.
  - The DR 2146 Motor Vehicle Bill of Sale for Vehicles Abandoned at Repair Shops and the DR 2173 Motor Vehicle Bill of Sale will include notification of Colorado's secure and verifiable identification requirement when applying for a new title and new registration.
  - Secure and verifiable identification information is required from only one named owner.
  - The public can view information concerning secure and verifiable identification requirements in several places on our website at [www.revenue.state.co.us/MV\\_dir/wrap.asp?incl=titlereg](http://www.revenue.state.co.us/MV_dir/wrap.asp?incl=titlereg).
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The following questions have been submitted to the Division of Motor Vehicles.

**1) Is a named owner's secure and verifiable identification information required to be included in mortgage mail applications received prior to July 1, 2006?**

- No. A named owner's secure and verifiable identification information is not required to be included in mortgage mail prior to July 1, 2006. A named owner's secure and verifiable identification information is required to be included in all mortgage mail applications received at a county motor vehicle office on and after July 1, 2006.

**2) Is a named owner's secure and verifiable identification information required to be included in dealer drop off applications received prior to July 1, 2006?**

- No. A named owner's secure and verifiable identification information is not required to be included in dealer drop off applications prior to July 1, 2006. A named owner's secure and verifiable identification information is required to be included in all dealer drop off applications received at a county motor vehicle office on and after July 1, 2006.

**3) Is a named owner's secure and verifiable identification information required to be included in lien holder drop off applications received prior to July 1, 2006?**

- No. A named owner's secure and verifiable identification information is not required to be included in lien holder drop off applications prior to July 1, 2006. A named owner's secure and verifiable identification information is required to be included in all lien holder drop off applications received at a county motor vehicle office on and after July 1, 2006.

**4) Is a named owner's secure and verifiable identification information required to be presented for all duplicate title transactions prior to and after July 1, 2006?**

- Identification must be presented for all duplicate title transactions prior to July 1, 2006. Secure and verifiable identification is required for all duplicate title applications with a purchase date on and after July 1, 2006.

**5) Is a named owner's secure and verifiable identification information required to be included in mail in duplicate title applications prior to July 1, 2006?**

- Identification information must be included for all mail in duplicate title applications on and after July 1, 2006. Secure and verifiable identification information is required for all duplicate title applications with a purchase date on and after July 1, 2006.

**6) What is required on a Letter of Authorization?**

- Letter must be on company letterhead
- Date
- Dealer number or lien holder ID number (if applicable)
- State what the agent is authorized to do on behalf of the company
- Name of the authorized agent (s)
- Signature of company representative
- Original, faxed or photocopy is acceptable
- A new letter of authorization must be submitted when adding or removing an agent

**7) Is a dealer's agent or lien holder's agent required to present their secure and verifiable identification information when dropping off new title or duplicate title applications prior to and after July 1, 2006?**

- No.

**8) Can a lien holder, bank or credit union provide a Corporate Resolution to Borrow/Grant Collateral Letter in place of a Letter of Authorization?**

- Yes. A Corporate Resolution to Borrow/Grant Collateral Letter can be used in place of a Letter of Authorization.

**9) What documentation will be acceptable, on and after July 1, 2006, when the lien holder's agent applies for and takes receipt of a new title, duplicate title, new registration or a new temporary registration on behalf of the lien holder when the lien holder is the named owner or has interest in said vehicle?**

- If the lien holder's agent is applying for and receiving a new title, duplicate title, new registration or new temporary registration on behalf of the lien holder, when the lien holder is the named owner or has interest in said vehicle a Letter of Authorization or a Corporate Resolution to Borrow/Grant Collateral Letter is acceptable and can be kept on file in the county. The lien holder's agent is required to present their secure and verifiable identification.

**10) What documentation will be acceptable, on and after July 1, 2006, when the lien holder's agent applies for and takes receipt of a new title, duplicate title, new registration or a new temporary registration on behalf of the lien holder when the lien holder is not the named owner or does not have interest in said vehicle?**

- A named owner will provide a non-secure power of attorney to their agent to include the grantor's (named owner's) secure and verifiable identification information. A Letter of Authorization or a Corporation Resolution to Borrow/Grant Collateral Letter can be kept on file in the county. The lien holder's agent's secure and verifiable identification information is required to be presented.

**11) What documentation will be acceptable, on and after July 1, 2006, when the dealer's agent applies for and takes receipt of a new title, duplicate title, new registration or a new temporary registration on behalf of the dealer when the dealer is the named owner or has interest in said vehicle (s)?**

- If the dealer's agent is applying for and receiving a new title, duplicate title, new registration or new temporary registration on behalf of the dealer, when the dealer is the named owner or has interest in said vehicle(s) a Letter of Authorization or a Corporate Resolution to Borrow/Grant Collateral Letter can be kept on file in the county. The dealer's agent is required to present their secure and verifiable identification.

**12) What documentation will be acceptable, on and July 1, 2006, when the dealer's agent applies for and takes receipt of a new title, duplicate title, new registration or a new temporary registration on behalf of the dealer when the dealer is not the named owner or does not have interest in said vehicle?**

- A named owner will provide a non-secure power of attorney to their agent to include the grantor's (named owner's) secure and verifiable identification information. A Letter of Authorization or a Corporation Resolution to Borrow/Grant Collateral Letter can be kept on file in the county. The dealer's agent's secure and verifiable identification information is required to be presented.

**13) An application for a new title, duplicate title, new registration or new temporary registration is submitted in the name of a business/company, what is required?**

- Letter of Authorization or a Corporate Resolution to Borrow/Grant Collateral Letter granting permission for the agent to act on behalf of the company and the agent's secure and verifiable identification information are required.

**14) Does a owner's name have to match the name on the secure and verifiable identification presented for all new title applications?**

- No, but if the name differs on the secure and verifiable identification presented, a DR2421 Statement of One in the Same must be submitted.

**15) When a new title is in the name of a trust what is required?**

- The trustee must fill out the DR2170 Trustee's Statement for Certificate of Title and the trustees secure and verifiable identification information is required to be presented.

**16) Is a "Red" license considered secure and verifiable?**

- Yes, with a photo. If a photo is not on the license an additional form of secure and verifiable identification is required.

**17) Is a temporary Colorado Drivers License, Drivers Permit or Identification Card that does not include a photo considered secure and verifiable identification?**

- No.

### 18) Some drivers' licenses include social security numbers and customers may not be willing to present this information?

•Any individual whose driver's license reflects their social security number can request a new driver's license be issued without their social security number at any Drivers License office. The cost is \$15.60.

Military identification only requires the last 4 numbers of the ID number (which is a social security number).

## State Emission Requirements Changing for Dealers

On January 1, 2007 gasoline-powered vehicles sold or registered in Larimer, Weld and El Paso Counties will no longer be required to have emissions inspections. This change comes after a vote by the Air Quality Control Commission to discontinue emission inspections in these counties. The change applies specifically to these three counties because each has been in compliance with the Federal Clean Air Act for several years. The requirement to display the "Emissions Exempt" stickers for new vehicles in these counties will also be discontinued.

If a dealer is selling a vehicle to someone living in the Enhanced Emissions Area (full

counties of Boulder, Jefferson, Broomfield, Denver, and Douglas, as well as parts of Adams and Arapahoe counties), an enhanced emissions inspection or voucher is required at time of sale. The voucher applies only to gasoline-powered vehicles and emission vouchers may be obtained by calling Envirotest at (303) 456-7011.

There are **no changes** to the Diesel Inspection Program in Larimer, Weld, and

El Paso County. Diesel vehicles still require inspection at time of sale or registration.

For any other questions regarding the information above please contact the Department of Revenue, Emissions Section at (303) 205-5603.

## Closing Your Dealership?

If a dealer or wholesaler, through either a voluntary or involuntary action, ceases to be a motor vehicle dealer or wholesaler, must surrender their dealer license, plates and temporary permits to the Department of Revenue, Enforcement, Auto Industry Division. Any plates that are

not in the dealer's possession shall be reported on an affidavit and submitted to the Department of Revenue in order that the missing plates can be denoted upon the appropriate motor vehicle law enforcement files.

## Colorado Springs Office

As a convenience to dealers in Southern Colorado, Cheryl Morrison from the Colorado Springs office has the capability to print duplicate salesperson licenses, accept and print salesperson license transfers, and accept new salesperson applications with issuing a Temporary Salesperson License.

Please contact Cheryl Morrison at 719-594-8704 to make an appointment.



## Colorado Temporary Permits

A reminder to dealers and/or clerical staff regarding temporary permits. When filling out the permits, **the first three letters of the month are recorded on the strip followed by the date and the year (JUN-30-06)**. Any alteration to the permit will make it invalid.

Please contact Dylan Ikenouye, Department of Revenue, Titles & Registration, if you have any questions regarding the temporary permits described above. He can be reached at [dikenouye@spike.dor.state.co.us](mailto:dikenouye@spike.dor.state.co.us).

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# State Of Colorado

## LICENSE FEE SCHEDULE

Effective July 1, 2006-June 30, 2007

License Type	Fee
Original Dealer, Wholesaler, Buyer Agent, Wholesale Auctions .....	\$325
Renewal Dealer, Wholesaler, Buyer Agent, Wholesale Auctions .....	270
Temporary Out-of-State Dealer .....	145
Original Salesperson .....	75
Renewal Salesperson .....	55
Additional/Multiples .....	55
Reissue Salesperson .....	55
Original Manufacturer/Distributor .....	325
Renewal Manufacturer/Distributor .....	270
Original Manufacturer Representatives .....	75
Renewal Manufacturer Representatives .....	55
Late Fee – All License Types .....	25
Dealers:	
Off-Premise Permits .....	55
Additional Location .....	135
Address Change .....	75
Class Change .....	75
Ownership Change .....	75
Name Change .....	75

NOTE: FEES ARE THE SAME AS LAST YEAR

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## **ATTENTION RETAILERS: IMPORTANT TAX RATE CHANGES Effective July 1, 2006**

### **The Scientific & Cultural Facilities District Sales/Use Tax Area Expansion**

The expanded area comprising the "Scientific and Cultural district" shall consist of **all** areas within the county boundaries of Adams, Arapahoe, Boulder, Jefferson, Denver, and Broomfield. It also includes Douglas County **except** the towns of Castle Rock and Larkspur. This expansion begins with sales and use tax collected on or after July 1, 2006.

### **No RTD/CD/FD in the town of Castle Rock**

There will be **no** Regional Transportation District (RTD), Scientific and Cultural Facilities District (CD) or Football District (FD) sales/use tax within the boundaries of the town of Castle Rock beginning with sales and use tax collected on or after July 1, 2006.

### **Other Local Tax Rate Changes**

#### **State Collected Taxes**

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**Montrose County – 1% county tax expires 6/30/2006. There will be no county tax effective July 1, 2006**

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Bennett – 3% sales tax only (increase)  
Nucla – 4% sales tax only (increase)  
Naturita – 4% sales tax only (increase)  
Olathe – 4% sales tax only (increase)

You can find the tax changes and rates for state-collected local jurisdictions listed in Department of Revenue publication DRP 1002 (available at [www.taxcolorado.com](http://www.taxcolorado.com) under "Forms" then under "Sales and Use") after July 1, 2006.

The corrected tax jurisdictions and rates will be pre-printed on your form DR 0100 "Colorado State Sales Tax Return" and/or DR 0173 "Retailer's Use Tax Return" beginning with the July return, or with the third quarter return. If you are a seasonal filer, the changed tax rates will be printed on the first return you receive after July 1, 2006.



#### **Reminder to Dealers**

All AID forms are available on our website and can be downloaded; however, when submitting these forms make sure that you fill them out thoroughly and accurately and provide the **correct number of copies**.

Besides obtaining all AID forms, our website contains other written material regarding the Auto Industry Division. Please check out our Internet home page website at [www.revenue.state.co.us/dlr/home.asp](http://www.revenue.state.co.us/dlr/home.asp). You may also email our Public Information Officer at [dealers@spike.dor.state.co.us](mailto:dealers@spike.dor.state.co.us) with any questions or concerns.

# DEALER BOARD ACTIONS

**Han Tran, dba Green Mountain Motor Cars-Denver-#37971** – material misstatement; place of business; failure to deliver title within 30 days; failure to notify the Board; defrauding any buyer or seller. **\$40,000 FINE, RESOLVE ALL COMPLAINTS, LICENSE REVOKED.**

**Massoud Farhindow, dba Advanced Auto Works-Englewood-#4635** – failure to honor check/draft to a motor vehicle dealer; defrauding any buyer/seller (2 counts); failure to deliver title within 30 days (3 counts); failure to honor written agreement; unfitness. **\$70,000 FINE, RESOLVE ALL COMPLAINTS, LICENSE REVOKED.**

**Thomas Weigel, dba Covenant Motors and Repair –Grand Junction-#37804** – failure to deliver title within 30 days (3 counts). **\$10,000 FINE HELD IN ABEYANCE FOR 12 MONTHS SUBJECT TO THE TERMS SET FORTH IN THE BOARD ORDER.**

**Mehdi Kaveh-Ahangari, dba EXO Auto Sales-Denver-#37369** – employing an unlicensed salesperson. **\$5,000 FINE (\$4,500 HELD IN ABEYANCE FOR 1 YEAR PROBATION), ATTEND LICENSING SEMINAR.**

**Casey Moreland, Salesperson #35072** – exercising a privilege granted under a license which such person does not hold; fraudulent business practices (7 counts); misappropriating funds (7 counts); failure to deliver title (4 counts). **\$180,000 FINE, RESOLVE ALL COMPLAINTS, LICENSE REVOKED.**

## DEALER BOARD MEMBERS

**President,** Gretchen Olson

**First Vice President,** Jeff Carlson

**Second Vice President,** Jim Varner

Bob Feder, Steve Perkins, Lisa Schomp,  
Dale Spradley, Mark Striegnitz, Jim Reitz

**Executive Secretary,** Robert C. Sexton

## AUTO INDUSTRY DIVISION

**Division Director,** Robert C. Sexton

**Assistant to the Director,** Kaye Kopecky

**Agent-in-Charge,** Eugene Tardy

**Compliance Supervisor,** Jerry Smith

Correspondence is welcome. Address to:  
Auto Industry Division

1881 Pierce Street, Lakewood, CO 80214

Phone: (303) 205-5604 FAX: (303) 205-5977

E-mail: [dealers@spike.dor.state.co.us](mailto:dealers@spike.dor.state.co.us)

Internet: [www.revenue.state.co.us/dlr/home.asp](http://www.revenue.state.co.us/dlr/home.asp)

## C A L E N D A R

**Dealer Board Business Meeting:** Second Thursday of each month at 9:00 am, 1881 Pierce St, Lakewood.

**Dealer Board Hearings:** Fourth Thursday of each month, if necessary, at 9:00 am, 1881 Pierce St, Lakewood.

**License Law Seminar - Colorado Springs:** First Tuesday of each month at 10:00 am, 4420 Austin Bluffs Pkwy, Colorado Springs.

**License Law Seminar - Ft Collins: BY APPOINTMENT ONLY,** Second Wednesday of each month at 10:00 am, 1121 W Prospect Road, Ft. Collins

**License Law Seminar - Lakewood:** Third Tuesday of each month at 9:00 am, 1881 Pierce St, in the Department of Revenue Building, Conf. Rm. C, Lakewood.

**Note: Times and locations are subject to change.**  
Call the Auto Industry Division at (303) 205-5784.

**Please note:** While every effort is made to make the information in *Wheels* as accurate and helpful as possible, it is not offered as a substitute for legal advice.