

Title Service Audit Tidbits

Retention of Records:

- Keep copies of all documents, including bills of sale, title documents, and customer information.
- Keep at least three years by customer name (note: Investigations recommends organizing by month, as that is usually how they will audit). (Title Service Agreement 9.0)
- Title Service should be open according to hours of operation with records readily available and without advance notification.

Transmitting of Fees:

- Deposit all monies within three days of receipt. When a check is involved, you have 10 days.
- Title Service does not have 30 days as dealers have to submit all title work and fees.

Inventory Accountability:

- ERT Sticker Audit is conducted at least once a year and routine/special request audits are conducted where blocks of inventory are verified.
- Perpetual records and or logs can help account for inventory.

Registration Fees:

- Registration fees charged shall be consistent with Motor Vehicle fees.
- Try to refrain from lumping registration fees with other fees such as title fee or ERT fee.

Title fees

- \$100.00 title fee for all transactions except for Rental vehicle \$50.00. Recent audit noted title service processing regular passenger vehicles as rental vehicles.

User Affidavits

- The Title Service Agent shall designate at least one full time employee as an Authorized User of the automated network and should limit access to said network to those employees who have executed/signed the Authorized User Affidavit. (Title Service Agreement 4.0)

Excise Taxes:

- Pay special attention to selling prices of vehicles.
- Pay special attention to trade-in values. Trade-in values shall not be higher than trade-in values in NADA books that have been adopted for use by the Motor Vehicle Administration. Trade-ins are covered under COMAR 11.15.33.05.
- For vehicles that are under 7 years old please ensure that you have/submit a notarized bill of sale from the dealership stating the selling price/s. Vehicles are being titled for way under book value, resulting in loss of revenues to the State.

Z soundex/Fein Numbers

If a new Z soundex number is requested for an LLC. Then proper documentation should be furnished to the Tag & Title Service. The Tag & Title Service should retain this documentation in their files for a three-year period.