

FACT SHEET



Motor Vehicle Verification of Fair Market Value by Issuing Agent

PURPOSE

This fact sheet is to provide information regarding the use of Form MV-3, "Motor Vehicle Verification of Fair Market Value by the Issuing Agent", and outlines the procedures that are to be followed by an issuing agent.

USE

Form MV-3 is used to verify the *Fair Market Value of passenger vehicles, trucks with a registered weight of 11,000 lbs. and under, motorcycles and recreational (motor home) vehicles manufactured during the past 15 model years when:

- . The purchase price listed on Forms MV-1, MV-4ST and MV-217A is less than 80% of the average Fair Market Value (Example: Determine the Fair Market Value of the vehicle from a PennDOT approved publication and take that amount times 80% (.80); or,
 - . the vehicle is over 15 years old and the purchase price is less than \$500; or
 - . the vehicle is not listed in a PennDOT approved publication.
- * The issuing agent must determine the Fair Market Value by using the average retail value dollar amount listed in any of the following PennDOT approved publications: N.A.D.A., The Automobile Red Book, The Black Book Official Used Car Guide, American Used Car Guide and/or the Kelley Blue Book Used Car Guide. **NOTE:** Both N.A.D.A. and The Automobile Red Book publish guides for motorcycles and other specific motor vehicle types. Kelley Blue Book also publishes a guide for recreational vehicles.

If using an internet version for any of the approved publications in lieu of the actual printed version, the agent is required to make a print-out of the internet value and retain the print-out with their copies.

EXCEPTIONS

Form MV-3 is not required for:

1. A new vehicle being sold to the first retail customer
2. Reconstructed/Recovered Theft/Specially Constructed vehicles
3. Flood vehicles
4. Formerly police/taxi vehicles
5. Lease buyouts by lessee
6. Vehicles transferred in conjunction with death procedures **(including vehicles sold by the estate, executor, or administrator) - Form MV-39 or Short Form Certificate is required**
7. Trailers, including recreation vehicle travel trailers

PROCEDURES

1. The issuing agent must complete all information in Sections A, including the purchase price of the vehicle, B and C using the information listed on Forms MV-1, MV-4ST or MV-217A.

NOTE: The issuing agent must list the average Fair Market Value for the correct vehicle model listed on the certificate of title application from a PennDOT approved publication.

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2. Section D must be completed by the motor vehicle purchaser or the vehicle seller.
3. The motor vehicle seller's and purchaser's signatures must be signed and notarized in Sections E and F. Only the purchaser's signature is required for vehicles purchased out-of-state and not the signature of the out-of-state seller.

NOTE: When the motor vehicle purchaser or seller refuses to complete Sections D, E and F, the issuing agent must refuse to complete the transaction for the customer. The incomplete title application should not be submitted to the Department for processing. Section E is not required to be completed for vehicles purchased out-of-state.

4. The completed form must be submitted to the Bureau of Motor Vehicles along with the attached MV-1, MV4-ST or MV-217A. **NOTE:** In lieu of Form MV-3, when a motor vehicle is purchased at a public auction, the auction agent may attach a copy of the block ticket signed by both the auctioneer, or its clerk, and the applicant to the completed MV-1, MV-4ST or MV-217A. The block ticket must contain both the reference guide Fair Market Value and the actual purchase price.

In addition, when a motor vehicle is purchased from a licensed dealer, the issuing agent may accept a copy of the bill of sale signed by both the dealer or its licensed sales person and the applicant to the completed MV-1, MV-4ST or MV-217A, instead of Form MV-3, provided that the bill of sale contains both the approved appraisal guide's stated Fair Market Value of the motor vehicle and the actual purchase price. The copy of the bill of sale should then be forwarded to PennDOT along with the appropriate title application.

ISSUING AGENT WARNING: Section 1318(e) of the Pennsylvania Vehicle Code states, "any person who violates this Section, in addition to any penalty, suspension or revocation imposed by the Department commits a summary offense and shall, upon conviction, be sentenced to pay a fine of not less than \$100 nor more than \$500 and for each subsequent or additional offense a fine of not less than \$200 nor more than \$500, or to imprisonment for not more than 90 days, or both."