

## Vehicle Purchasing Process/Liens

(Issued October 2012)

(Reviewed May 2014)

### Purpose:

To provide information about how to process vehicle purchases and liens

### Rationale:

Consistent processing information is being shared to better document that DVR funds are being used for the purpose intended. Thus, creating better fiscal accountability for vehicles purchases. The lien policy has been changed to align the process for vehicle purchases with DVR's purchase of other goods where no liens are required.

### Process Steps for Purchasing Vehicles:

1. Purchase orders must be used to purchase vehicles. No advance payments should be used for vehicle purchases.
2. WDAs are encouraged to develop lists of dealerships who will accept purchase orders.
3. Purchases are [tax exempt](#). DVR purchase orders include the Sales Tax Exemption Certificate Number. Include the following on the descriptor line: This purchase is a grants and aids and is [tax exempt](#) based on Tax 11.05 (4)(b)(1).
4. Do not title any vehicle in the name of the state. Doing so will cause the vehicle to become the property of DOA and expose the state to liability for property damage.

### Process Steps for Handling Liens on Vehicles:

1. DVR will no longer take out liens on vehicles purchased.
2. *Previous purchases where DVR holds a lien and title:* Release the lien immediately using the letter below and send the title, with a letter of explanation, to the consumer. Discuss with the consumer that, even though DVR is releasing the lien, the vehicle must be used for the reasons it was purchased.
3. *Previous purchases where DVR holds only a lien:* Release the lien when the record is closed using the letter below.

**Letter to Release the Lien:**

Date:

Wisconsin Department of Transportation  
Division of Motor Vehicles  
Local DMV Service Center Address

To whom it may concern:

This is a secured party release of interest in the said vehicle described as:

Vehicle Make/Model:

VIN #:

Title #:

License:

Odometer Reading:

The Division of Vocational Rehabilitation (DVR), secured party, hereby releases its interest and conveys to Mr./Ms. \_\_\_\_\_ the above-described vehicle.

This is a grants and aids transaction and no sales tax is due per Administrative Code Tax 11.05(4)(b):

Signed: \_\_\_\_\_

DVR WDA Director or Authorized Agent