Pennsylvania OnLine Messenger Association

Pennsylvania Licensing Professionals
Service • Quality • Commitment
www.PAOLMA.com

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PAOLMA Newsletter

Published By Al Fazio
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The Gift of Growth

Todd Rehrig A&S Katz, LLC

Another year has passed nd another holiday season has flown by. We're all looking forward to new opportunities and growth in our personal lives and businesses as we approach the third decade of this century. Wasn't it only yesterday when we were dealing with Y2K issues? One way I like to expand my mind and continue to grow is through reading and learning.

This December, I was pondering what to give my staff for Christmas. We always have a party and give bonuses from the company, but I also give them small gifts personally such as wine or chocolate to show my appreciation for their hard work and commitment to our business. This year, the idea of these types of gifts didn't appeal to me as much. A little voice in the back of my mind was telling me to try something different; try something with more meaning that could help them to better themselves.

My thoughts went to two books that I've read in the past year and that have changed my life. I was reluctant at first because I wasn't sure how many of them would appreciate a book over wine or chocolate. To be honest, I also

The Gift of Growth – continued

purchased some bottles and boxes of chocolates as a backup in case books were thrown at me, but my fears were groundless. Unanimously, the books were loved and appreciated. I've had several employees come to me and thank me profusely for the thoughtfulness of the gift and expressing their love of what they read. I've also witnessed a small change in their behavior and satisfaction with work and life. The books were received better than I had ever hoped they would.

The first book I gave to my more senior employees and managers is called The Secret, by Rhonda Byrne. It's been around for years and there are even audiobooks and movies based on it. I read it myself about a year ago and it is a life changing read. The book is based upon the law of attraction, with the main premise being that if you believe good things will happen, they will. If you are pessimistic and worry about bad things happening, they will. Although it sounds simple and possibly mystical, I've found that it works. I've also discovered that people who have read the book and practice the principles it discloses are generally more successful and optimistic.

Other employees received another favorite of mine called The Four Agreements, by Don Miguel Ruiz. Mr. Ruiz bases his book on ancient Toltec wisdom. While I'm somewhat skeptical of the Toltec background, I am a believer in the four agreements he presents; impeccability of your word, don't make assumptions, don't take it personally, and always do your best. By agreeing to work on these four items and trying to make them focal to your daily lives, you can change your life dramatically. I've had several employees tell me they loved this book and it was their favorite gift they received.

Currently I'm reading Emotional Intelligence by Daniel Goleman. This book has grown in popularity over the last decade and emotional intelligence is now taught in many schools around the world. While I still have much to read, I already know it can be a major factor in how we interact with people and the world and how we deal with problems in our lives.

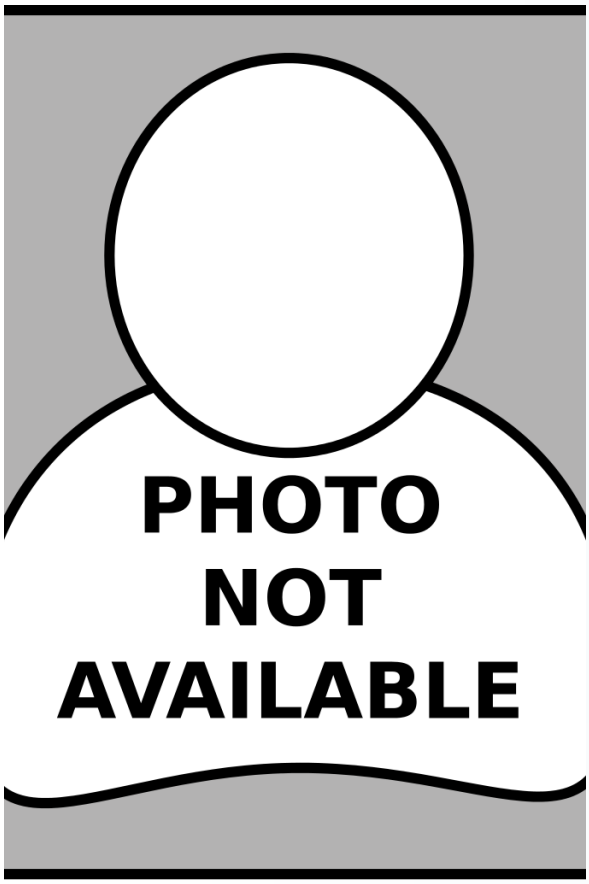
There are many other life-changing works available, and if you'd like some suggestions, I'd be happy to suggest more for you. I also ask that if you've found something that has helped you to grow and learn, that you share it with me. You're never too old to become a better person.

If you're committed to improving your life, I strongly suggest that you read some, or all, of these books. If you're committed to helping your employees grow, you may also want to consider giving them the gift of these books. They will thank you for taking an interest in their lives and happiness, and in return, will become better employees and produce happier customers and a stronger work force.

Get To Know Your Board Members

This Month Featuring Barb Kasprzyk

As told to Jo Naccarato



How and when did you get started in this business?

17 years ago, when I joined AAA as a branch manager. There were several business lines that were totally new to me, and the complexity of the PennDOT work was a real eye opener. Thank goodness for all of the support of an experienced staff.

What was your best business decision?

Expanding our auditing department and, even more importantly, adding resources to focus on training and developing our employees.

What was your worst business decision?

Not aggressively preparing for the impact the loss of the sticker would have on our branch traffic. We rely on that foot traffic to cross promote other services such as insurance and travel.

From your years of experience in the business what would be your advice to other messengers?

Develop a plan to engage your employees, they are key to your success as a business. Empower them to make some decisions and keep the work environment positive, it can be really frustrating at times!

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What are your favorite leisure time activities?

Spending time with family of course. Hiking and camping, we still camp in a tent and there is nothing quite like it!

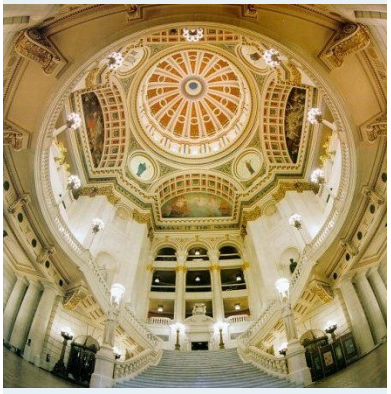
What are your goals for this Association?

To continue to look for areas where we can partner with PennDOT, or other PA Departments, where there may be opportunities to provide services to PA Constituents.

From the Desk of Robert Taylor – PAOLMA Advocate

The new two-year, 2019-2020 session of the Pennsylvania General Assembly began in Harrisburg on January 1, 2019 with a new profile that includes more Democrat members, many more female members, and greater membership diversity over previous sessions.

On February 5, 2019 Governor Tom Wolf, now serving in his second and final 4-year term, presented his budget proposal and other policy proposals for the 2019-20 Fiscal Year to a joint session of the Assembly. His proposal for the $34.1 Billion budget was a 2.8% increase of $930 Million over last fiscal year ($32.7 Billion in 2018-19). It included no tax increases (Personal Income Tax or Sales Tax) and no broadening of taxable items under the Sales Tax.



Of interest to business people in Pennsylvania is the Governor's proposal to enact a new minimum wage of $12/hour required as of July 1, 2019 with annual $.50/hour increases thereafter until the minimum wage reaches $15/hour in 6 years. Thereafter the minimum wage will be rate adjusted based on the annual Consumer Price Index. The Governor noted in his budget speech that states surrounding Pennsylvania have raised, or are in the process of raising, their statewide minimum wages (NJ and Maryland).

While not to be included in the actual budge the Governor, for the fifth year in a row, proposed a 4.5% severance tax on oil and natural gas extraction. He predicts an annual revenue stream of about $320 Million in the coming 4 years from that tax. He would use that money to finance (over 20 years) $4.5 Billion in infrastructure improvements across Pennsylvania including physical improvements to address disaster recovery issues (flooding, water runoff), numerous technology upgrades so that all citizens of Pennsylvania had access to communication technologies, and other infrastructure improvements. Called "RestorePA", the proposal DOES NOT mention transportation improvements.

The Governor proposes an additional $200 Million next year for K-12 education, $50 Million more for Special Education, serious increases for workforce training and community colleges, and the creation of the "Keystone Economic Development and Workforce Command Center" to help bring skilled workers to the jobs that many employers have available.

From the Desk of Robert Taylor – continued

His proposal will give Pennsylvania counties $15 Million to begin replacing voting machines (the first installment of 5 annual allocations which will total $75 Million to the counties—which is less than the $125 Million the counties say it will cost to fund his mandate). He will also now assess communities which rely on the PA State Police for protection because they do not have their own police forces. Charges will graduate from $8/person to $166/person in the communities depending on size and will yield almost $40 Million to the Commonwealth.

Representative Barry Jozwiak (R-Berks County) and Representative Pat Harkins (D-Erie County) are the new Co-Chairmen of the Law Enforcement Caucus in the General Assembly. Mr. Jozwiak has circulated a co-sponsorship memo to his colleagues in the House of Representatives notifying them of his intention to introduce legislation which will create a license plate sticker that will signify that a vehicle is legally registered in Pennsylvania and has passed a physical state-certified inspection (2-in-1). The Board of Directors of the PA On Line Messengers Association has painstakingly made a detailed review of the draft legislation with Mr. Jozwiak and offered useful recommendations which are being included in the legislation. The bill should be introduced in the coming weeks. The Board of Directors of the Association will be busy in March, April, and May of this year in Harrisburg as they work toward passage of the bill. Visits to legislators designed to educate them on the issue will be scheduled. With over 40 new members coming into the House and Senate this session the educational efforts will increase dramatically.

As is the case with any new legislative session the first few months include the filing of hundreds of pieces of legislation. In any given session, on average, Senate and House members will introduced approximately 3,500 bills. Generally, in any two year session about 150-200 bills will actually be enacted into law. At the publication of this newsletter, since January 1, 2019, over 700 bills have been introduced. Of greatest interest to the On Line Messengers Association may be HB 317 introduced by Rep. Greg Rothman (R-Cumberland County) which establishes a state-funded “Automated License Plate Reader (ALPR) Fund” and mandates funding for local law enforcement agencies to purchase such equipment.

Other bills (HB 380, HB 496) increase the enforcement and penalties on presentation of registrations, certificate of title, and licenses on demand, and the operation of vehicles without inspection certificates. There are various bills further regulating notaries and inspections.

NEWS FROM THE ROC

Submitted by Jo Naccarato
Pa Auto License Brokers

Penni Bernard is no longer manager of Research and Support Operations Section. She is now Customer Service Division Chief.
The new manager of Research and Support Operations Section is Marlene Savard. Her phone number is 717-787-9720 and her email is msavard@pa.gov.
Elizabeth Threnhauser no longer manages the phone address lists for the web-site. They are now managed by the dealer unit. If you found an error in the OLM, OLM/OLRP or agent lists on the PennDOT website (they had the phone number for my main office wrong), contact the dealer unit for correction.
Paula Holmes is our first contact for OLM (green screens) processing questions. Her phone number is 717-562-5224. If she is not available you may call the External Training Manager, Jessica Hoover at 717-346-3132 Please note these numbers are only to be used by OLMs and only for processing questions.

100% DISABLED VETERANS

Submitted by Megan Laughman
Runkle's Notary Tag Title

We have several 100% service connected disabled veterans that we do title work for. We charge them sales tax, but not the title and registration fee. There have been times PennDOT rejects the paperwork for fees. We found the information in the vehicle code that proves they are exempt from title and registration fees. See attached.

FYI: 100% DISABLED VETERANS

Submitted by Megan Laughman Runkle's Notary Tag Title

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CHAPTER 19
FEES

Subchapter

A. General Provisions
B. Registration Fees
C. Permits
D. Miscellaneous Fees

Enactment. Chapter 19 was added June 17, 1976, P.L.162, No.81, effective July 1, 1977.

Cross References. Chapter 19 is referred to in section 1307 of this title.

SUBCHAPTER A
GENERAL PROVISIONS

Sec.

1901. Exemption of persons, entities and vehicles from fees.
1902. Exemptions from other fees.
1903. Limitation on local license fees and taxes.
1904. Collection and disposition of fees and moneys.
1905. Payments to special funds.

1901. Exemption of persons, entities and vehicles from fees.

(a) Governmental and quasi-governmental entities.--Except as otherwise specifically provided in this title, no fees shall be charged under this title to any of the following:

(1) The Commonwealth.
(2) Political subdivisions.
(3) State and local authorities.
(4) State-related institutions of higher learning.
(5) The Federal Government.
(6) Other states.

(b) Title and registration fees.--No fee shall be charged for titling or registration of any of the following:

(1) Buses registered by urban mass transportation systems.
(2) Vehicles registered by volunteer fire, rescue and ambulance associations.
(3) Vehicles registered by foreign nationals with the rank of vice consul or higher assigned to a consulate in this Commonwealth provided that citizens of the United States are granted reciprocal exemptions.
(4) Vehicles of totally disabled veterans whose disability is certified by the service unit of the armed forces in which the veterans served or by the United States Veterans' Administration as service-connected.

FACT SHEET

January 2019

Fee for Local Use – Paticpating Counties

PURPOSE

Act 89, which became law on November 25, 2013, established a special fund within the state treasury called “Fee for Local Use Fund.” As of January 1, 2015, a county may pass an ordinance to implement a fee of $5 for each vehicle registered to an address located in that county. The $5 county fee is collected by PennDOT at the time a vehicle is initially registered, when the registration is renewed, or when the registration is transferred. These funds will be used by the county for transportation purposes or be allocated by the county in accordance with Section 9010(c) of the Pennsylvania Vehicle Code. The $5 county fee is in addition to the registration fee.

Counties that wish to participate must notify PennDOT 90 days prior to the effective date of the ordinance. PennDOT provides notification of participating counties to authorized agents via the Driver and Vehicle Services Update Bulletin. Local Use Fund fees are being collected by PennDOT and its authorized agents.

PennDOT will begin collecting the $5 fee for registrations expiring in the month the county ordinance is effective. When completing registration renewals for a vehicle registered in a participating county with an ordinance effective date listed below, the $5 fee is charged when the current registration expires on the effective date or later. The $5 fee also applies at the time a vehicle is initially registered, at the time of registration renewal, and at the time of transfer of registration on or after the effective date of the participating county.

PARTICIPATING COUNTIES

Below are the effective dates for counties that have passed an ordinance to implement the $5 fee.

FACT SHEET

January 2019

Fee for Local Use – Paticpating Counties

PARTICIPATING COUNTY	PARTICIPATING COUNTY
Cumberland	Montgomery
Fulton (**NOTE: Repealed effective April 29, 2017.)**	Berks
	Beaver
Blair	Centre
Allegheny	Lycoming
Bucks	Mifflin
Westmoreland	Schuylkill
Philadelphia	Pike
Dauphin	Union
Chester	Erie
Greene	Butler
Cambria	Luzerne **(Effective 01/18/2019)**
York	

For Your Information

Submitted by Judiann Marshall AAA East Central

PennDOT clarified a question that caused a lot of confusion in an earlier license bulletin. The prior bulletin stated that PA salvage certificates needed to be notarized. PennDOT in the December Driver and Vehicle Services Update, Bulletin No. 18-25 now clarifies that notarization is not required on a PA salvage certificate.

Moving PennDOT Forward

pennsylvania
DEPARTMENT OF TRANSPORTATION

Driver and Vehicle Services Update

Bureau of Motor Vehicles – Research and Support Operations Section
P.O. Box 68031, Harrisburg, PA 17106-8031

This bulletin may be downloaded by visiting the Driver and Vehicle Services website at www.dmv.pa.gov

Tom Wolf, Governor Leslie S. Richards, Secretary

BULLETIN NO. 18-25 December 2018

General Information

NOTARIZATION REQUIREMENTS

This is a reminder of when notarization is required for assignments on certificates of title or salvage certificates and the purchaser is **immediately** applying for a Pennsylvania Certificate of Salvage or Pennsylvania Non-Repairable Certificate.

TYPE OF PROOF OF OWNERSHIP	APPLICANT		
	Individual / Non-Salvage Dealer / Scrap Processor	Salvage Dealer	Insurance Company
PA Certificate of Title	• Notarization **IS** required. • Assignment must contain purchaser information, signature and printed name of purchaser(s) and seller(s), the odometer reading and notarization.	• Notarization is **NOT** required. • Assignment must contain purchaser information, signature and printed name of purchaser(s) and seller(s) and the odometer reading.	• Notarization is **NOT** required. • Assignment must contain purchaser information, signature and printed name of purchaser(s) and seller(s) and the odometer reading.
PA Salvage Certificate	• Notarization is **NOT** required. • Assignment must contain purchaser information, signature and printed name of purchaser(s) and seller(s) and the odometer reading.	• Notarization is **NOT** required. • Assignment must contain purchaser information, signature and printed name of purchaser(s) and seller(s) and the odometer reading.	• Notarization is **NOT** required. • Assignment must contain purchaser information, signature and printed name of purchaser(s) and seller(s) and the odometer reading.

Submitted by Judiann Marshall **AAA East Central**

REAL ID COMING SOON
SPRING 2019

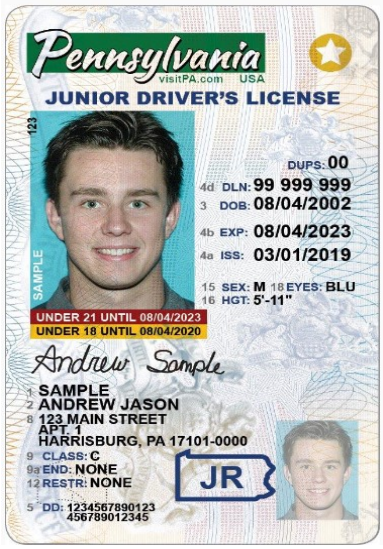
The "**Look**" of the Real ID Identification Card and Driver's License

REAL ID- Compliant Photo ID Card

REAL ID-Compliant Non-Commercial Driver's License

Submitted by Judiann Marshall **AAA East Central**

The "**Look**" of the Real ID Junior Driver's License and Commercial Driver's License



REAL ID-Compliant Non-Commercial Junior Driver's License

REAL ID-Compliant Commercial Driver's License

Submitted by Judiann Marshall **AAA East Central**

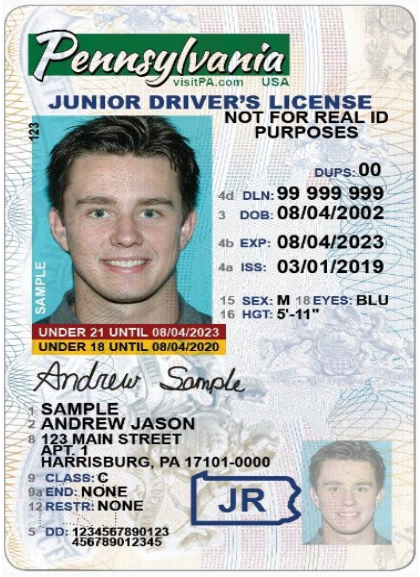
The "**Look**" of Standard Identification Card and Driver's License

Standard Issue (Non-Compliant) Photo ID Card

Non-Commercial Standard Issue (Non-Compliant) Driver's License

Submitted by Judiann Marshall **AAA East Central**

The "**Look**" of Standard Junior Driver's License



REAL ID (Non-Compliant) Non-Commercial Junior Driver's License

Did You Know?

Submitted by Jo Naccarato Pa Auto License Brokers

Department of Revenue Q & A

Many of these were taken from the Department of Revenue website, some from questions I emailed to them.

QUESTION-I bought a car last year and I now want to add my son's name to the title. I am being told that because there is a loan ("consideration") I will need to pay Sales Tax on the amount of the loan.

ANSWER-Yes you will owe Sales Tax on the encumbered amount. Any time you are adding a name to the title, it is subject to the full amount of Sales Tax. If your name and your son's name had been on the original title, you could have removed your name and treated it as a gift transaction without owing any additional sales tax.

QUESTION-Do you have to pay sales tax on an extended warranty?

ANSWER-Yes. The sale at retail or use of maintenance, service and warranty contracts constitutes prepayment for services to tangible personal property and is subject to tax.

QUESTION-A vehicle is being transferred from one spouse's name to another and they are not getting divorced. The bank has satisfied the original lien recorded on the front of the Pa. title. However, the same lien has been re-recorded on the PA title. Is this transfer subject to sales tax when form MV4ST is submitted with the PA title?

ANSWER-No, a transfer between a married couple is not a taxable transfer.

QUESTION-What are some basic sales tax rules for vehicle transfers between spouses?

ANSWER- (a) A transfer between spouses, as joint owners, is not a taxable transaction.

(b) A transfer from one spouse to both spouses as joint owners is not a taxable transaction.

(c) A transfer from one spouse to another is not a taxable transaction unless the transaction was made in accordance with a property settlement between the parties. When a transfer is made pursuant to a property settlement, it is presumed to be made for consideration, and the taxpayer must prove that no consideration was given for the transfer.

Did You Know?

Submitted by Jo Naccarato Pa Auto License Brokers

Department of Revenue Q & A

QUESTION-A couple is now divorced. When they were married they owned a vehicle and both names were on the PA title. One spouse will apply for the title in their name only. The original lien on the PA title has been satisfied and a new lien is being recorded. Is the sales tax due again on the vehicle?

ANSWER-Yes, the new sole owner must pay sales tax on the amount of the lien.

QUESTION-An auto body shop fixed up a vehicle for a customer, but the customer never returned for the vehicle. A court order gave the vehicle to the auto body shop. The auto body shop is applying for title. Does the auto body shop need to pay sales tax and if so on what value?

ANSWER-The auto body shop would be responsible to pay sales tax. When because of an affiliation of interests between the seller and purchaser, or for other reason, the purchase price stated is not indicative of the true value of the vehicle, the purchase price shall, for purpose of the imposition of this tax, be determined as the prevailing market price of the vehicle.

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pennsylvania
DEPARTMENT OF REVENUE

Is the **sale** of a car to a family member exempt from **sales tax**?

Answer ID 591 | Published 01/09/2003 03:28 PM | Updated 04/24/2017 02:40 PM

Is the **sale** of a car to a family member exempt from **sales tax**?

Here is the summary of non-taxable transfers provided for transfers of motor vehicle titles. If your circumstances is among them, then the **sale** would not be subject to **sales tax**.

§ 31.48. Transfers of registrations which are presumed not to be for a purchase price. The following are examples of transfers of vehicles which are presumed not to be for a purchase price and, therefore, are not subject to **tax**:

(1) Transfer as a gift. The transfer by a donor to a donee, without consideration, and with an intention on the part of the donor that the transfer be a gift, is not be a taxable transfer.

(2) Transfer by inheritance. A transfer to an heir or legatee made under a provision of the law applicable to the inheritance or devise of property by intestacy or will is not a taxable transfer.

(3) Transfer from sole proprietorship business to owner. A transfer from a business operated as a sole proprietorship, whether or not operated under a fictitious name, to the actual owner thereof is not a taxable transfer.

(4) Transfer from spouse to spouse. A transfer from one spouse to the other is not a taxable transfer unless the transfer was made in accordance with a property settlement between the parties. When the transfer has been made pursuant to a property settlement it is presumed to be made with consideration and the burden of proving that no consideration was given for the transfer is upon the taxpayer.

(5) Transfer of a vehicle owned by both spouses to just one spouse. A transfer of a vehicle owned by both spouses to just one spouse is not a taxable transfer.

(6) Transfer from trustee, administrator or executor to a trust beneficiary. A transfer from a trustee, administrator or executor, to a beneficiary of a trust, is not a taxable transfer, if no consideration passes from the beneficiary, or the trust settlor. If a consideration has passed, or if the transfer of the vehicle is made in contemplation of the passing of this consideration, the transfer is taxable.

(7) Transfer to winner of drawing or raffle. A transfer to a winner of a drawing or raffle is deemed to be a gift to the winner, and is not a taxable transfer. The purchase of a vehicle by the person who will transfer it to the winner is subject to **tax**.

Source

The provisions of this § 31.48 adopted September 29, 1972, effective September 30, 1972, 2 Pa.B. 1816.

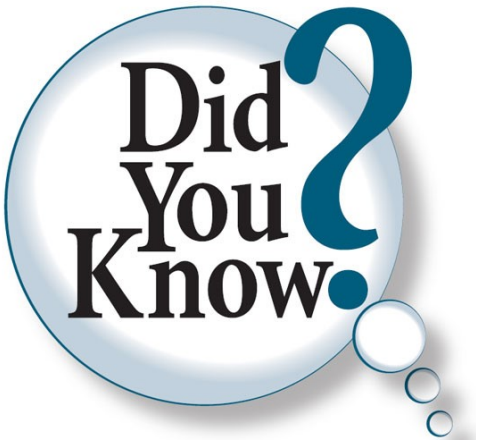
Cross References

This section cited in 61 Pa. Code § 31.7 (relating to use **tax**); 61 Pa. Code § 31.41 (relating to definitions); 61 Pa. Code § 31.41a (relating to scope); 61 Pa. Code § 31.47 (relating to transfers of registrations which are presumed to be for a purchase price); 61 Pa. Code § 33.2 (relating to purchase price); and 61 Pa. Code § 60.16 (relating to Local **Sales**, Use and Hotel Occupancy **Tax**).

Did You Know?

Submitted by Todd Rehig—A&S Katz

Notarizing Out-of-State Titles



In December 2018, PennDOT released Bulletin No 18 -25 which outlines notarization requirements for various vehicle documents such as titles and Certificates of Origin. The Bulletin caused some confusion, particularly with the need to notarize a title originating from a state that doesn't require notarization. The excerpt from the Bulletin states"

Out-of-State Certificate of Title

- **Notarization:**

✓ **If the proof of ownership document indicates notarization is needed, notarization is required.**

✓ **If the proof of ownership document does not indicate notarization is needed, and the assignment occurred in that state, notarization is not required.**

✓ **If the proof of ownership document does not indicate notarization is needed, and the assignment occurred in Pennsylvania, notarization is required.**

- **Assignment must contain purchaser information, signature and printed name of purchaser(s) and seller(s), the odometer reading and notarization.**

Jo Naccarato asked Penni Bernard at PennDOT who confirmed the information, stating that the notary needs to fit their stamp someplace on the document so that it is legible. To clarify further, Jo suggested I contact Marc Aronson, President of the Pennsylvania Association of Notaries. I called and spoke with both Mr. Aronson and Ruth Kohler.

PAN agrees with the document and Penni. If the assignment occurs in Pennsylvania, the title must be notarized. However, if the buyer comes in with the document already completed, there is no need to notarize it since you did not witness the signing and do not know where the assignment occurred.

Ruth also suggested that since most titles do not give adequate space to put your notarial stamp and signature, you attach an affidavit to the title for this purpose and notarize it instead.

Comedy Corner

Submitted by Jo A Naccarato

BEING A GROWN-UP IS MOSTLY HURRYING TO GO PLACES YOU DO NOT WANT TO GO, TO DO THINGS YOU DO NOT WANT TO DO

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