



**State of Vermont**  
**Department of Banking, Insurance,**  
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TO: Motor Vehicle Dealerships and purchasers or assignees of Motor Vehicle Retail Installment Contracts

FROM: Department of Banking, Insurance, Securities and Health Care Administration (the "Department")

DATE: June 26, 2006

RE: Implementation of Department Banking Bulletin #28 ("Bulletin #28")

The Department is issuing Bulletin #28 which prescribes the form of disclosure required by Act 143 and by 9 V.S.A. §2355(f)(1)(J) (the "Disclosure Form"). Bulletin #28 also responds to inquiries received by the Department regarding calculation of the cash price on the new Disclosure Form and on the Department of Motor Vehicles ("DMV") Dealer's Vehicle Record log sheet.

Bulletin #28 also clarifies that the purchase and use tax due on a motor vehicle is an "official fee" and is not part of the "cash price" under Title 9 V.S.A. Chapter 59.

Purchase and Use Tax. The Department is aware that many dealerships utilize platform automation software that automatically completes the documentation based upon the form of motor vehicle retail installment contract used and the purchaser or assignee of the motor vehicle retail installment contract. The Department is also aware that in some instances the platform automation software includes the purchase and use tax in the "cash price" of the motor vehicle rather than in the "official fees." The Department recognizes that some dealerships may not be able to modify their platform automation software to remove the purchase and use tax from the "cash price" and include it in "official fees" on the motor vehicle retail installment contract by July 1, 2006, consistent with Bulletin #28. The Department expects that by November 1, 2006 dealerships will implement the changes necessary to bring their platform automation system into compliance with Bulletin #28 and properly account for the purchase and use tax on the motor vehicle retail installment contract.

Disclosure Form and DMV Dealer's Vehicle Record Log Sheet. Regardless of the platform automation software used by the dealership, however, the Department expects that the cash price that appears on the Disclosure Form and on DMV's Dealer's Vehicle Record log sheet will comply with Bulletin #28 beginning July 1, 2006.

