

MOTOR VEHICLES, ) The director of revenue may refuse registration  
) of a motor vehicle dealer when it appears that  
) the applicant is not in fact a dealer. He may  
REGISTRATION: ) suspend or revoke the registration of a dealer  
) only in specific cases.



March 14, 1952

3-20-52

Mr. H. M. Long  
Assistant Supervisor  
Motor Vehicle Registration  
State Capitol  
Jefferson City, Missouri

Dear Mr. Long:

We have given careful consideration to your request for an opinion, which request is as follows:

"We respectfully request an official opinion on what grounds if any, the Director of Revenue can revoke or suspend the registration of a Motor Vehicle Dealer.

"Also, if he has authority to refuse registration if in his opinion, applicant does not qualify as a Motor Vehicle Dealer in fact. This Department is plagued with practices and violations by certain Dealers and we find the following: Namely, false affidavits and false certifications. We mean by false affidavit that in case of re-assignment of a motor vehicle by a Registered Dealer that in many instances some three or four months after such assignment, Application is made by affidavit for cancelling the re-assignment on the grounds that the sale was not completed, and in our investigation we find in altogether too many instances, the vehicle was used by the purchaser and returned as a trade in on another vehicle or the car was taken back by the Dealers as a repossession.

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"False certifications involve in most instances, new vehicles where the Franchised Dealer certifies an Application for Title and a Form 20 to an individual purchaser. Then in many instances this Application for Title and Form 20 are destroyed and another Application for Title and Form 20 are presented in the name of a Used Car Dealer, this operation being verified by investigation of this Department. We are holding some ten or twelve Applications for Titles in the name of a Used Car Dealer wherein our investigation indicates the vehicles to have been originally certified by the Franchised Dealer to individuals as purchaser."

The law pertaining to the registration of motor vehicle dealers is embodied in Section 301.250, RSMo 1949, which is as follows:

"1. All manufacturers and dealers shall, instead of registering each motor vehicle manufactured or dealt in, make application upon a blank to be furnished by the director of revenue, for a distinctive number for all the motor vehicles owned or controlled by such manufacturer or dealer, said application to contain:

"(1) A brief description of each type of motor vehicle manufactured or dealt in, including character of the motive power, amount thereof, stated in figures of horsepower; and

"(2) The name and business address of such manufacturer or dealer;

"3. The weight and rated live load capacity of commercial motor vehicles.

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"2. Fees and plates for manufacturers and dealers: On the payment of a registration fee of twenty-one dollars there shall be assigned to such manufacturer or dealer a certificate of registration in such form as the director of revenue shall prescribe, and two sets of number plates bearing such number. As many duplicate sets of number plates as may be desired may be obtained upon the payment of a fee of ten dollars and fifty cents for each duplicate set.

"3. Display of duplicate number plates: Such duplicate number plates may be displayed on any motor vehicle used in the business of the manufacturer or dealer, but shall not be displayed on any motor vehicle or trailer used for the private purposes of any such manufacturer, dealer or their employees, or on any motor vehicle or trailer hired or loaned to others.

"4. The director of revenue shall use all due diligence to ascertain whether applicant is a dealer in fact, and he may regulate the number of plates furnished each dealer."

It is herein provided that the director of revenue shall use all due diligence to determine whether an applicant is in fact a dealer. This means that the director may refuse registration if in his opinion the applicant is not qualified as a dealer under the definition contained in Section 301.010, RSMo 1949. This authority applies to all applications made by dealers, including applications for registration from year to year.

The director of revenue has authority under Section 301.-310, RSMo 1949, to suspend the registration of any owner who

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neglects or refuses to apply for duplicate plates to replace ones found to be in such condition as to hinder or make difficult identification of the same. The director is also vested with authority under Section 301.430, RSMo 1949, to revoke the registration of any owner or dealer who has been convicted three times within a period of one year of a violation of any of the motor vehicle or traffic laws. These statutes cover specific cases only. We are unable to find any law giving the director of revenue any general power to suspend or revoke the registration of a motor vehicle dealer.

The registration of a dealer merely gives him the right to use a dealer's license plate on the cars operated in the course of his business. It does not authorize him to engage in the business of buying and selling automobiles. That right lies beyond the province of registration, and the revocation of his registration could not enjoin him from doing such business.

CONCLUSION

It is the opinion of this office that the director of revenue is authorized to refuse registration of a motor vehicle dealer when it appears that the applicant is not in fact a qualified dealer. It is also our opinion that the director of revenue may suspend or revoke the registration of a motor vehicle dealer only in specific cases described in Sections 301.310 and 301.430, RSMo 1949.

Respectfully submitted,

B. A. TAYLOR  
Assistant Attorney General

APPROVED:

  
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J. E. TAYLOR  
Attorney General

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