

540 CMR: REGISTRY OF MOTOR VEHICLES

540 CMR 18.00: MINIMUM STANDARDS FOR THE ISSUANCE AND USE OF GENERAL REGISTRATIONS AND GENERAL REGISTRATION NUMBER PLATES ISSUED UNDER THE PROVISIONS OF M.G.L. c. 90, § 5

Section

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18.01: Scope and Purpose

(1) Scope and Purpose. 540 CMR 18.00 is adopted by the Registrar of Motor Vehicles to provide uniform procedures and requirements for the application and issuance of general registrations and general registration number plates under M.G.L. c. 90, §§ 5 and 31, and to regulate the use of those plates.

18.02: Application for General Registrations and General Registration Number Plates and Definitions

(1)(a) General Requirements. Applicants shall complete and submit to the Registrar the prescribed application form for general registrations and number plates, together with the following:

1. If the applicant is a corporation, limited liability company or limited liability partnership, a copy of the applicable Articles of Organization, Certificate of Organization, or Registration filed with the Secretary of State for the Commonwealth.
2. If the applicant is either an individual or an entity conducting business under a trade name, a copy of the business certificate issued by the municipality where the applicant conducts or will be conducting business.
3. A copy of any permit, including any occupancy permit or license, required by any federal, state or local law for engaging in the particular business.
4. The applicant's employer tax identification number (EIN or FID).
5. Any photographs or diagrams of the property where the applicant conducts its business, which reasonably depict the location of buildings and entrances to the property and to the buildings, and photographs of the applicant's motor vehicles or trailers, if the Registrar believes that the diagrams or photographs may be useful in determining whether the applicant qualifies for the general registration and general registration number plates, or whether any of the motor vehicles or trailers require a compliance decal.

(b) Changes in Name, Address, Ownership.

1. A holder shall notify the Registrar, in writing, within 30 days of any of the following:
 - a. a change in the name or address of the business;
 - b. a transfer of the business or a change of ownership, including a change in the form of ownership: however, a transfer of less than a majority interest in a corporation shall not be considered a change of ownership;
 - c. the dissolving of the business or the ceasing of regular business activity;
 - d. the termination of a Class 1 automobile franchise agreement.
2. A holder shall provide the Registrar with copies of the applicable new dealer or repairer's license, business certificate, Articles of Organization, Certificate of Organization, or Registration, reflecting the change.

(c) Entry upon Premises. Applicants and holders shall permit any law enforcement officer or any agent designated by the Registrar to enter the premises during regular business hours to determine compliance with M.G.L. c. 90, § 5 or 540 CMR 18.00

(d) Definitions. As used in 540 CMR 18.00, the following terms have the following meaning:

Holder. A person who possesses a validly issued general registration and general registration number plate(s) for the current registration period.

Owner. A person who owns a motor vehicle or trailer and, unless otherwise provided by the context, includes a plate holder who is leasing a vehicle at market rates.

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Principally and Substantially Engaged in the Business of. An applicant or holder must be engaged in the type of business for which the general registration and general registration number plates are authorized to the extent that a reasonable person, unfamiliar with the nature of the business, would conclude from an inspection of the premises during normal business hours, that the primary or chief activity conducted on the premises is the same activity for which the general registration is authorized.

Repairer. Shall have the same meaning as repairman as defined by M.G.L. c. 90, § 1.

Solely on a Wholesale Basis. A method of doing business engaged in by a dealer licensed under M.G.L. c.140, § 59 in which such dealer buys or sells used motor vehicles for resale to other licensed dealers and does not engage in retail sales to the public or engage in negotiating or arranging the purchase or sale of a motor vehicle to or for a retail customer. A licensed dealer who obtains dealer plates representing that he does business solely on a wholesale basis is subject to suspension or revocation of the general registration and all general registration dealer plates if the Registrar determines that the dealer has engaged in one or more retail sales while allegedly operating solely on a wholesale basis.

Temporary Plate. A temporary, plastic, general registration plate issued by the Registrar in a green color and unique format that is designed to replace an existing lost, stolen illegible or mutilated general registration plate for a limited period of time and at the request of a registrant. The plate shall contain the required Permit on one side and a temporary registration number and expiration date on the side facing outward. The Registrar shall set the terms for issuance.

(2) Specific Requirements.

(a) Motor Vehicle Dealers. To receive or retain a dealer's general registration and general registration number plates, a dealer, as defined in M.G.L. c. 90, § 1, shall satisfy the following conditions:

1. The dealer is licensed under M.G.L. c. 140, § 59, by the municipality in which the business is or will be conducted, and provides the Registrar with a copy of the then current license upon initial application and at the time of each renewal.
2. The dealer provides the Registrar with a copy of a franchise agreement letter from the manufacturer, if the dealer is a Class 1 licensed dealer.
3. The dealer is principally and substantially engaged in the business of manufacturing, buying, selling or exchanging motor vehicles or trailers and is not in violation of any applicable law.
4. The dealer's business is situated within a permanent building or permanently affixed structure, including an office trailer, owned or leased by the dealer for the dealer's exclusive use and located at the address of record noted on the dealer's license. Beginning on January 1, 2019 no new, renewed or transferred general registration may be issued if any portion of the applicant's dealer business premises are located in a residence and no records required to be maintained by a dealer shall be maintained and/or stored in a residence. Except for a dealer who exchanges vehicles or trailers solely on a wholesale basis, the dealer shall be open to the public. Beginning on January 1, 2019, open to the public shall mean that the licensed premises are open to the public for at least 30 hours per week during business days and the licensee shall post the hours it is scheduled to be open in an exterior area of the building where the public is likely to see the posting. A dealer who exchanges vehicles or trailers solely on a wholesale basis shall post office hours during which the business shall be staffed by the licensee or an agent thereof who shall make the records required to be maintained by M.G.L. c. 140, § 62 available to law enforcement and other officials authorized to view and inspect them pursuant to M.G.L. c. 140, § 66. Officials authorized to view and inspect the records may agree to, but cannot be required to, make an appointment. Such office hours shall be for not less than six hours per week and not less than two hours on any scheduled day, and a portion of the hours shall be scheduled between the hours of 9:00 A.M. and 4:00 P.M. and such posted office hours shall also contain a telephone number at which the licensee may be reached when not on the licensed premises. The office hours must be displayed in an exterior area of the building or entrance to the licensee's premises where officials authorized to view and inspect the records are likely

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to see them. If an official authorized to view and inspect records by M.G.L. c.140, § 62 appears at the licensee's premises on at least two occasions within a six month period on a day and time when office hours indicate the licensee or agent should be present, and the official determines the premises are closed or not accessible or that the required records are not available for viewing and inspection, the Registrar may take action to suspend or revoke the licensee's general registration and general registration dealer plates. The building, structure, or office trailer shall have adequate office space to conduct the business and to store and maintain the required records. For first time applicant's for dealer registration plates applying on or after January 1, 2019, no building, structure or office trailer used by a dealer will be acceptable to RMV unless the dealer maintains an office of at least 100 square feet in size and is equipped with office furniture, such as a desk and chairs to conduct business and filing cabinets or drawers to store and maintain the required records. On or after January 1, 2019, no holder of dealer general registration plates who initially received such plates prior to June 30, 2018, shall be allowed to renew such general registration and general registration plates unless the building, structure or office trailer used by the dealer contains office space of at least 100 square feet in size and is equipped with office furniture, such as a desk and chairs to conduct business and filing cabinets or drawers to store and maintain the required records. If more than one business is located within the same building or structure, the dealer shall maintain a separate and exclusive entrance, unless the multiple businesses are owned or controlled by the same principals.

5. Subject to any municipal regulation, ordinance or bylaw, and except for a dealer who exchanges motor vehicles or trailers solely on a wholesale basis, the dealer shall display a permanently affixed exterior sign of sufficient size and design to give the general public notice of the name and nature of the business. If the municipality prohibits by regulation, ordinance, or by-law, the display of any permanently affixed signs as described above at the applicant's business location the Registrar may issue dealer plates for that location.

6. Except for a dealer who exchanges motor vehicles or trailers solely on a wholesale basis, the dealer shall have an area to display the vehicles offered for sale, which cannot be shared with any other business unless a substantial physical separation exists. For first time applicants for dealer plates applying on or after January 1, 2019, and notwithstanding any limitation or prohibition against vehicle display printed on the face of the municipal dealer's license, the RMV will not approve dealer plates for the dealer's premises unless the dealer's license authorizes the display of motor vehicles at the site. The display area must have sufficient space to allow potential buyers to walk between the displayed vehicles. There shall also be sufficient space for customer parking. after January 1, 2019, and notwithstanding any limitation or prohibition against vehicle display printed on the face of the municipal dealer's license, no holder of dealer general registration plates, other than one who does business solely on a wholesale basis, who initially received such plates prior to January 1, 2019, shall be allowed to renew the general registration and plates at the licensed location unless the dealer's license authorizes the display of motor vehicles and the dealer has sufficient space to display vehicles at the dealer's premises. A display area of any size must also have sufficient space to allow potential buyers to walk between the vehicles when examining them. There shall also be sufficient space for customer parking. Vehicles cannot be offered for sale at any other location; however, this shall not prohibit a dealer from transporting and offering vehicles for sale at a recognized automobile auction facility, or a combined dealer special sale event. Except for a dealer who does business solely on a wholesale basis, a Class 2 dealer must maintain or have access to repair facilities sufficient to comply with 540 CMR 16.00: *Minimum Specifications for Repair Facilities of a Class 2 Used Motor Vehicle Dealers to Make Repairs under Warranty* and M.G.L. c. 140, § 58 and c. 90, § 7N¹/₄.

7. An initial or renewal application for general registration dealer plates filed by an applicant who claims to sell used motor vehicles solely on a wholesale basis shall include an affidavit containing information required by the Registrar which must be signed under the penalties of perjury by the applicant.

8. The dealer maintains a system of vouchers, approved by the Registrar, which shall be carried by any operator of a motor vehicle. A copy of the vouchers shall be retained by the dealer on the licensed premises.

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9. The dealer complies with the records requirements of M.G.L. c.140, § 62, by maintaining either a bound record book or printouts produced by a computerized records system, in a form authorized by the Registrar.

10. The dealer must satisfy the Registrar that the licensed premises are in compliance with local zoning and occupancy laws.

11. The Registrar may issue general registration dealer plates to an approved applicant following an on-site inspection by agents of the Registrar. The Registrar shall determine the number of dealer plates to be issued, if any, for the dealer's business purpose only. Any request by a dealership for additional dealer plates to be used by the dealership's owners as set forth in M.G.L. c. 60A, § 1, shall not be deemed sufficient reason for an increase in the number of plates issued. If the approved applicant believes it needs more dealer plates, it may request additional plates but must provide additional information, as required by the Registrar, in support of such request. The Registrar may refuse to issue additional plates unless he or she is satisfied from an examination of available information, that the additional number of requested plates is justified, but the Registrar may authorize additional dealer plates, if at all, in a lesser number than requested. The Registrar may also reduce the number of dealer plates issued to a registrant if it appears to the Registrar that the dealer has been issued more plates than are reasonably necessary to conduct the dealer's business when the level of sales activity at the premises is taken into consideration. The Registrar will not issue dealer plates to an applicant who appears to be the sole employee of the licensed premises but who does not have an active Massachusetts driver's license. The Registrar may, nevertheless, issue dealer plates to a licensed dealership although the proprietor does not have a valid Massachusetts driver's license if he or she is satisfied, from an examination of employment and payroll records, that the licensee has one or more employees or contractors who do have an active driver's license and whose duties require them to operate inventory vehicles on the dealer's behalf over public ways.

12. The Registrar may refuse to renew or may revoke a general registration and general registration dealer plate if he or she is satisfied from available evidence that the dealer is not principally and substantially engaged in business as a dealer. Such evidence may include, but shall not be limited to, results of site visits by law enforcement officers and agents of the Registrar indicating lack of sales related activities during normal business hours; reports from town officials that the premises are frequently closed during normal business hours or that the licensee has permanently closed or moved; from an examination of the dealer's records and book entries required to be maintained by M.G.L. c.140, § 62 which shows lack of substantial sales activity; or based upon the dealer's failure to produce such records for an inspection and review. The Registrar may refuse to renew, may suspend, or may revoke the dealer plates of a dealer who permits another, not entitled thereto, to use a dealer reassignment form (DRT-1 Form) or who fails to properly record the DRT-1 Control Number in the appropriate place in the Used Vehicle Record for that vehicle. The Registrar may also condition renewal of the general registration and dealer plates on the dealer's providing evidence, satisfactory to the Registrar, that the books and records are being maintained in the normal course of business, that the dealer is making the required book entries in a timely manner, and that the records appear to be complete.

13. Use of Dealer Plates for Dealer with Multiple Locations. If a dealer has several sales locations that are served by one licensed main location, all used vehicle records shall be maintained at the main location. If the dealer has several locations that are each separately licensed, the UVRB for each separate dealership shall be maintained on the licensed premises.

14. Dealer Responsible to Secure and Account for Plates; RMV Audit of Dealer Plates. A dealer shall be responsible to secure all Dealer plates when not in use and shall be responsible for accounting for any plates not on the licensed premises when an agent of the Registrar or law enforcement makes inquiry. A licensed dealership possessing Dealer plates shall be subject to a plate-audit by representatives of the Registrar at any time during normal business hours.

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15. A dealer licensed under M.G.L. c. 140, § 59 by a municipality in Massachusetts shall not operate a motor vehicle or trailer owned by the dealership while displaying a registration plate issued by any U.S. state other than Massachusetts. A violation will be deemed operation of an unregistered vehicle.

(b) Motor Vehicle Repairer. To receive or retain a repairer general registration and general registration number plates, a repairer, as defined in M.G.L. c. 90, § 1, shall satisfy the following conditions:

1. The repairer is principally and substantially engaged in the occupation of repairing, altering, reconditioning, equipping or towing motor vehicles or trailers for the public.
2. The repairer maintains an established place of business as defined in M.G.L. c. 90, § 1; however, it is not necessary for every motor vehicle or trailer to be repaired within a building or structure on the premises, if the repairs do not violate local laws and are contained within the premises.
3. If the repairer's business is classified as a motor vehicle repair shop under M.G.L. c. 100A, the repairer shall have a valid certificate issued by the Director of the Division of Standards pursuant to M.G.L. c. 100A.
4. Subject to any municipal regulation, ordinance or bylaw, the repairer displays a permanently affixed exterior sign of sufficient size and design to give the general public notice of the name and nature of the business.
5. If the repairer's business includes the towing and storage of motor vehicles or trailers for the public, the repairer must have adequate storage facilities. The storage facilities shall be physically separated from any area shared with any other business, but need not be located at the main office. The Registrar must be notified of the address of all storage facilities and be allowed to inspect the facilities.
6. The repairer maintains business records on the premises which contain the date(s), description of the motor vehicle, including the vehicle identification number, owner and nature of work completed. A repairer engaged in towing shall maintain records on the premises containing the date of each tow, a description of the motor vehicle or trailer that was towed, the vehicle identification number, registration number and place of registration, and the name of the owner of the towed vehicle.

(c) Owner-contractor.

1. Unless otherwise provided by 540 CMR 18.00, to receive or retain general registration and general registration plates, an owner-contractor, as defined in M.G.L. c. 90, § 1, shall satisfy the following conditions:
 - a. The owner-contractor owns or controls a fleet of ten or more motor vehicles, trailers, special mobile equipment, mobile construction cranes or any combination of such vehicles or equipment, which shall include at least one piece of special mobile equipment or at least one motor vehicle or trailer as described in 540 CMR 18.02(2)(c)2.e.
 - b. The owner-contractor maintains facilities for the repair, alteration or equipping of the vehicles or equipment, which shall:
 - i. include a permanently constructed building or structure of sufficient size to allow the majority of the motor vehicles or trailers in the fleet to be repaired within the building or structure, except that the registrar may establish guidelines for alternative compliance by fleets containing very large motor vehicles or trailers unable to fit in the on-site facilities;
 - ii. contain the tools and equipment necessary to conduct repairs and alterations; and
 - iii. be conducted as a separate entity, physically segregated from any business not owned or controlled by the owner-contractor.
2. Pursuant to authority granted in M.G.L. c. 90, § 5, the Registrar may issue owner-contractor general registrations and general registration number plates for:
 - a. use on motor vehicles and trailers owned or controlled by government agencies if a public safety or other public interest is served. No government agency may operate a motor vehicle or trailer with an owner-contractor plate unless a compliance decal has been issued. The Registrar may set further conditions for such registrations.

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- b. use on trailers owned by a person who is principally and substantially engaged in the business of leasing for hire so called storage or mobile office trailers, if the person owns at least ten storage or mobile office trailers, or combination thereof, and maintains an establishment as required in 540 CMR 18.02(2)(c)1.b.
 - c. use on a motor vehicle or trailer owned by a person who is principally and substantially engaged in the business of renting or leasing motor vehicles or trailers to the general public, if the person owns at least 20 motor vehicles or trailers. Motor vehicles or trailers registered under 540 CMR 18.02(2)(c)2.c. may only be operated by the owner or owner's agent for the repair, alteration, maintenance, delivery, disposal or retrieval of the vehicle or trailer, and not for the transportation of any goods, wares or merchandise by any person. The owner-contractor is subject to the compliance decal provisions of 540 CMR 18.03(5).
 - d. use on a motor vehicle or trailer owned by a person who is principally and substantially engaged in the business of short-term renting or leasing to the general public of specialized motor vehicles or trailers designed for use in construction, if the person owns at least 20 such specialized motor vehicles or trailers. The owner-contractor may allow its rented or leased vehicles to be operated or towed with the owner-contractor plates attached providing all of the following conditions are met:
 - i. the motor vehicle is special mobile equipment or a mobile construction crane as defined in M.G.L. c. 90, § 1, or is a motor vehicle or trailer described or authorized to be operated on an owner-contractor plate by the provisions of 540 CMR 18.02(2)(c)2.e.;
 - ii. the required compliance decal is displayed on the motor vehicle or trailer;
 - iii. the motor vehicle or trailer is not leased or rented with the owner-contractor plate attached for more than five consecutive days; and
 - iv. the person operating the motor vehicle or trailer carries a signed and dated copy of the rental or leasing agreement.
 - e. use on a motor vehicle or trailer which is designed primarily for construction purposes and not for the transportation of passengers or property, and is only incidentally operated on a way including, but not limited to, any vehicle or trailer which is designed and used primarily either for grading or paving of highways, earth moving, and other construction work on highways, at a public or private construction site or for construction or maintenance work on railroad rights of way, including air drills, asphalt spreaders, bituminous mixers, bucket loaders, rubber-tracked tractors, crawler tractors, ditchers, leveling graders, finishing machines, motor graders, paving mixers, road rollers, scarifiers, earth moving scrapers and carryalls, welders, pumps, water wagons, screening plants, power shovels and draglines, excavators, backhoes, front end loaders, self-propelled and tractor-drawn earth moving equipment and machinery, and concrete pumpers.
 - f. use on an enclosed trailer owned or controlled by the general registration holder, which is towed on a way to or from a construction site and is used by the owner-contractor exclusively as a mobile construction office at the site.
3. An owner-contractor may operate on a way any motor vehicle classified as special mobile equipment as defined in M.G.L. c. 90, § 1 for the sole purpose of snow removal.
- (d) Farmers. To receive or retain a farmer's general registration and general registration number plates a farmer, as defined in M.G.L. c. 90, § 1, shall satisfy the following conditions:
- 1. The farmer is substantially engaged in:
 - a. the occupation of farming as defined in M.G.L. c. 90, § 1;
 - b. the growing and harvesting of forest products or incidental lumbering operations, including the preparation and transportation of the products prior to retail sale.
 - 2. The farmer is a Massachusetts resident or corporation;
 - 3. The farmer holds any license or permit required by any federal, state or local law prior to engaging in the farming or forestry operation;
 - 4. The farmer owns a fleet of two or more vehicles used for and dedicated to conducting the business, excluding passenger vehicles;

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5. The farmer conducts the farm activity or forestry operations for an ultimate commercial purpose. For the purposes of 540 CMR 18.00, an ultimate commercial purpose may include conducting farm or forestry operations for profit, not-for-profit or charitable purposes. Compliance with state or federal tax codes will be considered evidence that the farm or forestry operation is being conducted for an ultimate commercial purpose;
6. For registrations initially issued after January 1, 1997, the size of the area devoted to the activity is at least five acres if a farm, and at least ten contiguous acres if devoted to the growing and harvesting of forest products or incidental lumbering operations. The Registrar may waive the requirement of a minimum size of five acres devoted to farming if a person is engaged in the intensive cultivation of crops through alternative forms of farming activity, such as hydroponics. The Registrar may also waive the minimum ten contiguous acres requirement if the applicant has a minimum of ten non-contiguous acres, each of which is devoted to the growing and harvesting of forest products.
7. For the purposes of 540 CMR 18.02(2)(d), substantially engaged in the occupation of farming or growing and harvesting of forest products or incidental lumbering operations shall mean that at least one of the following shall apply:
 - a. the applicant derives at least 40% of total income from such operations; or
 - b. the applicant demonstrates gross farm, forest product harvesting or incidental lumbering operations related income of at least \$1,000 or a net farm related loss of at least \$2,000 on Schedule C, D, or F of the prior year's federal and state income tax returns; or, if the applicant has been engaged in business for less than a full tax year, the applicant produces documents sufficient to demonstrate current-year income or expenses to verify that the applicant's business is reasonably expected to meet this criteria; or
 - c.
 - i. if the applicant is engaged in the occupation of farming, the land is enrolled in and classified pursuant to M.G.L. c. 61A as being devoted to agricultural or horticultural use or both, and meets the production values in M.G.L. c. 61A, and the applicant provides the Registrar with a copy of the then current tax certificate issued by the local assessor; or
 - ii. if a person is engaged in the growing and harvesting of forest products or incidental lumbering operations, the land is classified pursuant to M.G.L. c. 61 as being forest land, and the applicant provides the Registrar with a copy of the current tax certificate issued by the local assessor.
8. A farmer may only operate motor vehicles or trailers principally used and dedicated to the farming activity with the general registration and general registration plates, and not passenger vehicles.

(e) Recreational Vehicle Dealers, Recreational Trailer Dealers, Boat Dealers, and Boat Trailer Dealers. To receive or retain a general registration and general registration number plates, a dealer in recreational vehicles or trailers or boats or boat trailers shall satisfy the following conditions:

1. The dealer is principally and substantially engaged in the business of selling recreational vehicles and recreational trailers or boats and boat trailers.
2. The dealer has suitable premises to conduct the business, which shall include an office for the maintenance of records of sale transactions.
3. If the dealer's business is located within a building or structure shared with another business, the dealer maintains a separate and exclusive entrance, unless the multiple businesses are owned by the same principals.
4. The dealer has an area to display the vehicles or trailers offered for sale.
5. Subject to any municipal regulation, ordinance or bylaw, the dealer displays a permanently affixed exterior sign of sufficient size and design to give the general public notice of the name and nature of the business.

(f) Trailer Dealers. To receive or retain a dealer's general registration or general registration number plates, a trailer dealer, as defined in M.G.L. c. 90, § 1, shall satisfy the following conditions:

1. The dealer is principally and substantially engaged in the business of buying, selling or exchanging trailers.

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2. The dealer has suitable premises to conduct the business which shall include an office for the maintenance of records of sales.
 3. The dealer has an area to display the trailers offered for sale.
 4. Subject to any municipal regulation, ordinance or bylaw, the dealer displays a permanently affixed exterior sign of sufficient size and design to give the general public notice of the name and nature of the business.
- (g) Transporter. To receive or retain a general registration or general registration plates, a transporter, as defined in M.G.L. c. 90, § 1, shall satisfy the following conditions:
1. The transporter is principally and substantially engaged in the business of transporting or delivering motor vehicles not owned by the transporter, under their own power, or trailers not owned by the transporter, or is a person, or agent of a person, licensed to engage in the business of financing the purchase of or insuring motor vehicles, who is required to repossess such motor vehicles or trailers by foreclosure or subrogation of title.
 2. The transporter maintains an office for the maintenance of records of all transactions.
- (h) Manufacturers. To receive or retain a general registration and general registration number plates a manufacturer, as defined in M.G.L. c. 90, § 1, shall satisfy the following conditions:
1. The manufacturer is principally and substantially engaged in the business of manufacturing motor vehicles, trailers, motor vehicle bodies, or complete mechanical units for excavating or carrying materials and maintains an establishment where the manufacturing activity is conducted.
 2. The manufacturer does not incidentally sell used motor vehicles and does not possess a license under M.G.L. c. 140, § 58.
 3. The manufacturer of motor vehicles or trailers produces evidence that the manufacturer issues certificates of origin in conformity with M.G.L. c. 90D, § 6 and 540 CMR 15.00: *Specifications for Vehicle Manufacturer's Certificates of Origin*, except that a manufacturer engaged principally and substantially in purchasing new motor vehicles or trailers for the purpose of making modifications prior to sale to the first purchaser need not issue its own certificates of origin.

18.03: Compliance Decals

- (1) An owner of a motor vehicle or trailer holding a general registration and a general registration number plate issued under M.G.L. c. 90, § 5, shall, on an annual basis or as otherwise prescribed by the Registrar, apply for a decal which indicates that the owner has complied with the requirements of M.G.L. chs. 90D, 64H and 64I, for each motor vehicle or trailer so registered. No decal shall be issued if the owner's registration is in nonrenewable status for nonpayment of excise tax or parking tickets. The decal shall contain a serial number, vehicle identification number and registration number of the particular vehicle displaying the decal and shall be displayed according to the Registrar's instructions. Failure to properly display the compliance decal shall be considered a violation of M.G.L. c. 90, § 20 for fine and penalty purposes.
- (2) The decal requirement does not apply to:
 - (a) Motor vehicles or trailers owned by a dealer and held for sale and demonstration purposes only.
 - (b) Motor vehicles or trailers controlled, but not owned, by a repairman that are being either towed, or operated solely for repair, testing, alteration or equipping or transportation incidental thereto.
 - (c) Trailers owned by a dealer of recreational or boat trailers and held for sale and demonstration purposes only.
 - (d) Motor vehicles operated by a transporter or trailers towed by a transporter, under the conditions stated in M.G.L. c. 90, § 5.
 - (e) Motor vehicles or trailers classified as implements of husbandry under M.G.L. c. 90D, § 1 and exempt from sales tax under M.G.L. c. 64H and 64I.

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- (3) If any motor vehicle or trailer required to display a compliance decal under 540 CMR 18.03 is not owned by the general registration holder, it shall be the responsibility of the owner of the motor vehicle or trailer to pay any tax pursuant to M.G.L. c. 60A. The owner and general registration holder shall be jointly and severally responsible for any failure to display the compliance decal.
- (4) A holder operating a newly acquired motor vehicle or trailer subject to the decal requirements of 540 CMR 18.03, who has applied for the decal, may carry a Registry receipt indicating compliance with M.G.L. chs. 90D, 64H, and 64I until the decal is issued. Such receipt shall constitute proof that the owner has complied with the provisions of 540 CMR 18.03.
- (5) A person who is principally and substantially engaged in the business of renting or leasing non-construction type motor vehicles or trailers to the general public may permanently affix a compliance decal to the back of an owner-contractor registration plate instead of displaying the decal elsewhere on the motor vehicle or trailer. Documentation sufficient to identify the owner-contractor as the owner of the vehicle, to establish that a title has been obtained for the vehicle, and to establish that the vehicle is exempt from sales tax requirements or that the sales tax has been paid, shall be carried by the operator or in a readily accessible place in the vehicle. The provisions of this subsection shall not be applicable to any other category of owner-contractor or any other motor vehicles or trailers authorized to display an owner-contractor registration plate.
- (6) Compliance with the decal requirements under 540 CMR 18.00 is a condition of being lawfully registered, and a vehicle without a required compliance decal shall be considered unregistered in violation of M.G.L. c. 90, § 9.

18.04: Display and Use of General Registration Number Plates

- (1) Display of Plates.
 - (a) General registration number plates shall be displayed in accordance with the provisions of M.G.L. c. 90, §§ 5 and 6.
 - (b) The Registrar may issue a combined temporary general registration number plate and permit to temporarily replace a lost, stolen, illegible or mutilated plate and may set the terms and conditions for the use of a temporary plate and for its return.
 - (c) Operation of any vehicle displaying a temporary plate after the plate expiration date shall be *prima facie* evidence that the vehicle is unregistered.
 - (d) Upon the earlier of the receipt of a permanent replacement general registration number plate, or the expiration date of the temporary plate, the temporary plate and permit shall be void and shall be surrendered to the Registrar.
 - (e) Out-of-state General Registration Plate. No person licensed as a dealer under M.G.L. c. 140, §§ 58 through 69, and no employee or agent thereof, shall operate a vehicle in this state owned by the dealer while displaying a general registration plate issued in another state. A licensed dealer under M.G.L. c. 140 shall display a general registration plate issued by the Registrar or shall transport vehicles by trailer, tow truck or other legal means if the dealer does not qualify for a dealer plate from the Registrar.
- (2) Use of General Registration Number Plates: General Restrictions.
 - (a) Unless otherwise authorized in 540 CMR 18.00 no person, business or corporation shall loan, let for hire or rent any general registration number plate or allow such a plate to be attached to a motor vehicle in any manner in violation of 540 CMR 18.00. Such plate misuse shall be considered a violation of M.G.L. c. 90, § 23.
 - (b) General registrations, general registration number plates and permits for temporary number plates are not transferable. They shall be surrendered to the Registrar if the business, as described in the registration certificate, is sold, ceases to operate, or if any applicable license or permit is suspended or revoked by the issuing authority.

18.04: continued

(c) A general registration plate may not be displayed on a vehicle which is borrowed or which is leased at less than market rates. The holder has the burden of proving that a lease is at market rates. Acceptable evidence may include generally accepted trade publications covering lease transactions in the relevant geographical area for motor vehicles or trailers of a similar year, make, model and lease period.

(3) Use of General Registration Plates: Specific Restrictions.

(a) 1. A dealer, manufacturer, dealer in boats and boat trailers or a dealer in recreational vehicles and recreational vehicle trailers, who has received a general registration number plate may operate or tow a motor vehicle or trailer which is owned by the dealer or manufacturer and is operated principally for demonstration or sale related purposes. A dealer who has received a general registration number plate may not operate a motor vehicle owned by the dealer as equipment utilized in the operation of the business of said dealer, such as a courtesy bus or parts or service vehicle, using the general dealer's registration number plate; however, a dealer may operate a motor vehicle owned by the dealer using the plate for the purpose of removing snow from the business property.

2. A motorcycle dealer whose inventory includes an automobile or pick-up truck may attach a motorcycle general registration plate to the automobile or pick-up truck if the vehicle is operated for demonstration or sale related purposes; the dealer license issued by the city or town under M.G.L. c. 140, § 59 authorizes the motorcycle dealer to also sell automobiles or pick-up trucks; and the dealer's insurance coverage allows use of the plate on automobiles or pick-up trucks.

3. A motor vehicle dealer whose inventory includes a motorcycle may attach a general registration plate of standard size to the motorcycle if the motorcycle is operated for demonstration or sale related purposes; the dealer license issued by the city or town under M.G.L. c. 140, § 59 authorizes the dealer to also sell motorcycles; and the dealer's insurance coverage allows use of the plate on motorcycles.

(b) A repairer who has received a general registration and general registration plate may only operate with the registration, motor vehicles, trailers or tractor-trailer combinations:

1. controlled, but not owned by the repairer and operated for the purpose of repairing, altering, equipping or reconditioning the vehicle or any transportation incidental thereto, and not for commuting or other personal use; or

2. owned by the repairer and designed to draw, tow or transport motor vehicles and displaying a compliance decal issued in accordance with 540 CMR 18.03. Such a vehicle may tow or transport an unregistered motor vehicle pursuant to M.G.L. c. 90, § 9, if the towing vehicle is properly registered, displays a repair plate, and maintains insurance which also provides coverage for the motor vehicle being towed; or

3. owned by the repairer and used primarily in the repairer's business, and displaying on the vehicle the business name and the municipality where the business is located in permanent lettering at least 1.5" in size, which is plainly visible from each side or from the front and rear of the vehicle; or

4. owned by the repairer and classified as a total loss salvage motor vehicle as defined in M.G.L. c. 90D, § 1, if the following conditions are met:

a. the motor vehicle is being transported for purchase, sale, repair, or testing; and

b. the operator carries a bill of sale or salvage title for the vehicle; or

5. purchased by the repairer and transported within ten days of the purchase date and the operator is in possession of the bill of sale and the seller's certificate of title or a receipt for the repairer's application for a certificate of title; or

6. owned by the repairer and operated for the purpose of removing snow from the business property.

(c) A general registration holder shall display the validation sticker assigned by the Registrar to the left of the general registration number on the general registration plate so that the current year validation sticker covers the prior year's validation sticker.

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18.05: Penalties

(1) In addition to any other penalty provided by law, the Registrar, after notice and opportunity for a hearing, may suspend, revoke, or refuse to renew a general registration and general registration number plate(s) if he or she has reason to believe that the holder has violated the provisions of M.G.L. c. 90, §§ 5 or 6, or 540 CMR 18.00.

(2) Suspension of a general registration or general registration number plate shall be for a fixed period of time; however, if the general registration holder is required to perform specific acts as a term of the suspension, or to provide documentation to bring the holder into compliance with either M.G.L. c. 90, §§ 5 or 6 or 540 CMR 18.00, the suspension may be for an indefinite period until the Registrar is satisfied that the holder has satisfied the requirements. Upon suspension of a general registration, the holder must return the master certificate of registration and all issued general registration plates to the Registrar. If one or more plates are suspended, only the specific plate(s) that is suspended must be returned to the Registrar. Although a suspension shall be effective as of the date specified in the notice for purposes of prohibiting use of the affected registration and plates, no time shall be credited to the holder's suspension period until the holder returns the registration or plates as required. An affidavit subscribed and sworn to under penalties of perjury shall be required from a suspended registration holder who asserts that a master certificate of registration, or one or more registration plates, has been lost or stolen, and if stolen, the holder must also provide a copy of a theft report filed with the appropriate police department. A holder who is under a suspension order may not be granted a general registration of any type, may not renew a suspended registration, and may not be granted additional plates during the suspension period. The Registrar may refuse to issue a general registration to an applicant if the Registrar has reason to believe that the applicant is acting as an undisclosed agent for a holder who is the subject of a current suspension order.

(3) Upon revocation of a general registration, the holder must return the master certificate of registration and all general registration number plates to the Registrar. Revocation of a holder's registration shall be for not less than 12 months. Although a revocation shall be effective as of the date specified in the notice for purposes of prohibiting the use of the registration or plates, no time shall be credited to the holder's period of revocation until the holder has returned the master certificate of registration and all registration plates. An affidavit subscribed and sworn to under penalties of perjury shall be required from a revoked registration holder who asserts that a master certificate of registration, or one or more registration plates, has been lost or stolen, and if stolen, the holder must also provide a copy of a theft report filed with the appropriate police department. A holder who is under a revocation order may not be granted a general registration of any type during the revocation period. The Registrar may refuse to issue a general registration to an applicant if the registrar has reason to believe that the applicant is acting as an undisclosed agent for a former holder who is the subject of a current revocation order.

REGULATORY AUTHORITY

540 CMR 18.00: M.G.L. c. 90, § 5.