

## Car Dealer Document Fee Caps

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### Issue

Provide the maximum dealer document fees in states that cap them and the services included under the fees.

### Summary

Dealer document fees (also called documentary fees, “doc” fees, processing fees, conveyance fees, handling fees, and administrative fees) are fees car dealers may charge for processing documents and providing other services related to a vehicle sale.

In Connecticut, these fees are called dealer conveyance fees. By law, a conveyance fee is a fee car dealers may charge to “recover reasonable costs for processing all documentation and performing services related to the closing of a sale, including, but not limited to, the registration and transfer of ownership of the motor vehicle which is the subject of the sale” ([CGS § 14-62\(a\)](#)). Connecticut law does not cap the conveyance fee or define “reasonable costs,” but it sets requirements for the notice and information that a dealer must provide consumers about the fee (see [OLR Report 2018-R-0063](#) for more information on these requirements). A [2016 study](#) by the Program Review and Investigations Committee found that the average dealer conveyance fee in Connecticut was \$405 for new car dealers and \$131 for used car dealers.

At least 15 states cap dealer document fees. The caps currently range from \$70 (or \$85) in California to \$565.38 in Missouri. Each state defines these fees differently, but like Connecticut’s, most definitions are generally broad enough to encompass fees related to (1) processing registration, titling, lien, financing, and tax documentation; (2) information privacy and data security compliance; (3) record retention and document storage requirements; and (4) other administrative

services and compliance with federal and state laws. Some states appear to define these fees more narrowly, such as (1) New York, which places the cap on fees for assisting in securing a registration, title, or special or distinctive plates and (2) Minnesota, which places the cap on fees for services rendered for processing documents for closing a sale. Some states provide additional, separate fees for things like electronic document processing or title processing.

## State Document Fee Caps

At least 15 states cap dealer document fees. We include these caps in Table 1, below, ranked from lowest to highest fee. We also include definitions for the states that specifically define the services or charges included under the fee.

**Table 1: Identified States With Dealer Document Fee Caps**

State	Cap	Fee Definition
<b>California</b> <a href="#">Cal. Veh. Code §4456.5, California Dealer 101</a>	\$70, or \$85 (plus a \$29 electronic filing fee) if the dealer has a contract with the department to provide on-site registration	A charge for preparing and processing documents, disclosures, and titling, registration, and information security obligations imposed by state and federal law (electronic filing fee is charged for providing license plate processing, postage, and the fees and services authorized and may not exceed the charge paid by the dealer to the service provider)
<b>Oregon</b> <a href="#">Or. Rev. Stat. § 822.043</a>	\$115, or \$150 if using electronic system (\$25 of fee must be paid to electronic system)	Fee for processing documents necessary to issue or transfer, verify, and clear titles; register a vehicle; perfect and release liens; comply with federal security requirements; or render any other services for the purpose of complying with state and federal laws related to vehicle sale
<b>Minnesota</b> <a href="#">Minn. Stat. Ann. § 168.27.31</a>	\$125 (does not include an optional electronic transfer fee)	Fee for services actually rendered to prepare, handle, and process documents for closing a motor vehicle sale or lease; <a href="#">electronic transfer fee</a> is a charge for services agreed upon between the parties for electronic transmission of ownership records, at least half of which must be paid to the transmission service provider
<b>Arkansas</b> <a href="#">Ark. Code Ann. § 23-112-317</a>	\$129	Fee charged in connection with a vehicle sale or lease for (1) handling, processing, and storing documents and (2) other administrative and clerical services. It may be charged to allow cost recovery for dealers, and a portion may result in profit
<b>New York</b> <a href="#">N.Y. Comp. Codes R. &amp; Regs. tit. 15, § 78.19</a>	\$175	Fee for assisting in securing a registration and/or certificate of title for such vehicle, provided the dealer actually performs the service; does not include the fee (1) required to be paid to the Department of Motor Vehicles for issuance of the registration or title, or (2) charged for the vehicle inspection

Table 1 (continued)

State	Cap	Fee Definition
<b>Iowa</b> <a href="#">Iowa Admin. Code r. 322.19A</a>	\$180	Fee for preparing documents related to an application for motor vehicle registration and an application for issuance of a certificate of title, and the performance of other related services for the customer
<b>Washington</b> <a href="#">Wash. Rev. Code. § 46.70.180</a>	\$200	Fee to recover administrative costs for collecting motor vehicle excise taxes, licensing and registration fees, and other agency fees; verifying, clearing, and transferring titles; perfecting, releasing, or satisfying liens or other security interests; and other administrative and documentary services rendered by a dealer in connection with the sale or lease of a vehicle and in carrying out any requirements in state law
<b>Ohio</b> Ohio Rev. Code Ann. §§ <a href="#">4517.261</a> & <a href="#">1317.07</a>	\$250 or 10% of vehicle price, whichever is less	No definition found
<b>Michigan</b> <a href="#">Mich. Comp. Laws. Ann. § 492.113</a>	\$260 <sup>1</sup> or 5% of vehicle price, whichever is less	No definition found
<b>Illinois</b> <a href="#">815 Ill. Comp. Stat. 375/11.1</a>	\$347.26 <sup>2</sup>	Fee for processing documents and performing services related to closing a sale
<b>Rhode Island</b> <a href="#">280-30-20 R.I. Code R. § 1.6(N)</a>	\$400 for vehicles sold for \$10,000 or more (Charge prohibited for vehicles sold for less than \$10,000; cap does not include \$20 title preparation fee)	Fee for preparing various paperwork associated with the sale, financing, leasing, insurance, liens, warranties, federal and state disclosures, and other procedures associated with vehicle sale, leasing, and financing
<b>Louisiana</b> <a href="#">La. Rev. Stat. Ann. § 6:969.18</a>	\$425	Fee for credit investigation, compliance with federal and state law, preparing documents necessary to perfect or satisfy a lien upon the objects sold, and any other functions incidental to the titling of the retail sale
<b>Pennsylvania</b> <a href="#">63 Pa. Stat. Ann. § 818.327</a>	\$449 <sup>3</sup> for electronic processing \$374 <sup>3</sup> for non-electronic processing	Charge for preparing documents required to register and license vehicles; collecting and submitting taxes; preparing any other information associated with vehicle titling and registration; and complying with federal and state laws related to data privacy, providing financial services, and preparing and retrieving documents.
<b>Maryland</b> <a href="#">Md. Code Ann. Transp. §15-311.1</a>	\$500	Charge includes preparing written documents of the transactions, obtaining title and license plates, obtaining and releasing liens, retaining documents and records of transactions, complying with state and federal privacy laws, and other administrative services concerning vehicle sales

Table 1 (continued)

State	Cap	Fee Definition
<b>Missouri</b> <a href="#">Mo. Rev. Stat. § 301.558</a>	\$565.38 <sup>4</sup>	Fee for document storage and any other administrative or clerical services not prohibited by law; a portion may result in profit; cannot charge for the services of filling in the blanks on standardized forms in the connection of the sale or lease or otherwise charge for preparing documents.

<sup>1</sup> Effective 1/13/2023 ([Bulletin 2023-01-CF](#)); amount is biennially adjusted for increases in consumer price index (CPI)

<sup>2</sup> 2023 calendar year, according to Chicago Automobile Trade Association; fee is annually adjusted for CPI

<sup>3</sup> 2023 calendar year ([PA Licensing Board Adjustment](#)); annually adjusted for CPI

<sup>4</sup> 2023 licensure year ([12 CSR 10-26.231](#)), fee is annually adjusted for increases in CPI

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