

General Relief Program Guide Letter # 42

March 30, 2006

Subject **NEW VEHICLE LICENSE FEE (VLF) CHART & CALCULATIONS**

Effective Date Upon receipt

Reference ACDWL 05-25 and DMV Vehicle License Fee Chart and CCR Title 22, Section 50485

Purpose The purpose of this letter is to provide staff with a new factoring process to use when determining the net market value of a motor vehicle and provide an updated DMV VLF Chart.

Background The Department of Motor Vehicles and **not** the Health and Human Services Agency update the Vehicle License Fee Rate (VLF) chart. The DMV VLF Chart is used to determine the net market value of non-exempt motor vehicles of General Relief applicants/beneficiaries.

Changes A new calculation process is being implemented for determining the value of a motor vehicle, replacing the previous value times 50. In addition a new DMV VLF Chart provides updated information regarding the value of non-exempt motor vehicles to be used in the calculations.

Required Action Effective January 1, 2006, the new chart shall be used to determine the net market value of motor vehicles with VLF class "AA" to "ZZ". No longer will the license fee be multiplied by \$50 to derive the market value of the motor vehicle.

The new procedure for determining the market value of the motor vehicle shall be determined by the following process (**Note: The VLF chart is just one method of obtaining a reasonable value**):

- Determine the class of the motor vehicle.
- Determine the year the motor vehicle was purchased. (Note: This could be initial purchase of a new vehicle or resale date.)
- **Divide** the vehicle license fee by .0065, **NOT** .65.
- Subtract any encumbrances of record from the market value. This is the net market value.

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Subject **New Vehicle License Fee (VLF) Chart and Calculations**

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Automation Impact No impact.

Forms Impact No impact.

Quality Assurance Impact Quality Assurance staff will cite the appropriate error when the clarifications in this letter are not applied or are applied incorrectly.

Summary of Change The table below shows the changes made in the GRPG.

Section	Change
Chapter 90-300, Section 90-302.6.H.1	Updates the calculation to divide by .0065.
Chapter 90-300 Appendix A	Includes the updated DMV VLF Chart.

Filing Instructions The table below shows how to file the GRPG material.

Action	Pages
Replace	page 90-300- 17 &18
Replace	Chapter 90-300, Article A

Manager Approval ORIGINAL SIGNED BY:

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