

## Documentary Fees Set by the State of Michigan

The State of Michigan authorizes licensed vehicle dealers like Ziggy's Auto Sales to charge a document processing fee. This fee is either a set amount not to exceed \$210 or five percent of your vehicle's sale price, whichever is less. The State of Michigan closely regulates this fee and reviews it biennially, typically increasing it by \$10 at the time of review. It is intended to help cover the dealership's costs for researching and preparing documents associated with the purchase, financing and registration of your vehicle. Done properly, these measures will protect your financial interests, assure vehicle safety, contribute to national security and deter and detect auto theft.

A great deal of work and expense occurs even before your vehicle's documents are ready to be used, and each transaction is unique. Also, before the vehicles can be sold, your dealer must invest in personnel training to carry out many of these mandates.

## Your Privacy is Important

Purchasing a vehicle is a complex transaction, therefore, dealers must often collect non-public, personal information necessary to complete your credit or title application. We won't ask for this information unless it is absolutely necessary, because we take your need for privacy seriously.

## Some Examples

### Example One

You're purchasing a vehicle with a selling price of \$2,500.

Because 5% of \$2,500 is \$125 and that is less than our documentary fee of \$195 you pay a documentary fee of \$125.

### Example Two

You're purchasing a vehicle with a selling price of \$3,900.

Because 5% of \$3,900 is \$195, you pay our regular documentary fee of \$195.

### Example Three

You're purchasing a vehicle with a selling price of \$6,000.

Because 5% of \$6,000 is \$300 and that is more than the maximum amount allowed by the State of Michigan, you pay our regular documentary fee of \$195.

## Various Forms Are Required to Fulfill Our Responsibilities

Virtually all of the documents we present to you fulfill state and federal laws. Others let us maintain proper accounting records, calculate and file your sales and use tax, and process vehicle financing.

## Our Business is Highly Regulated to Protect You

In order to operate a vehicle dealership in Michigan, we must meet several requirements for financial stability, standard accounting practices, proper dealership facilities, accurate record keeping and more. State-issued licensing and certification gives you peace of mind about our ability to conduct business properly. Following are some of the state and federal agencies that oversee dealerships and vehicle sales:

- Michigan Department of State (Secretary of State)
- Michigan Department of Energy, Labor and Economic Growth
- Michigan Office of the Attorney General, Consumer Protection Division
- Michigan Department of Environmental Quality
- Michigan Department of Treasury
- Federal Trade Commission
- US Internal Revenue Service

## Some Dealership Activities That May Be Associated with Your Purchase...

- Validate each customer's eligibility to hold title to a vehicle, in compliance with Michigan's Repeat Offenders law
- Check each purchaser against federal lists to ensure the customer is not among the prohibited companies or individuals suspected to support illegal or terrorist activities
- Prepare and verify the accuracy of documents and contracts that protect your interests
- Process title, registration and plates
- Verify and document insurance coverage or waivers
- Place and remove title liens on behalf of financial institutions with a security interest in the vehicles
- Determine and disclose accurate vehicle mileage
- Keep your financial information safe, private and secure (a requirement of the Gramm-Leach-Bliley Financial Privacy Act)
- Maintain important records of your purchase
- Provide full and accurate condition information regarding your vehicle on the window label
- Check safety and history on trade-in vehicles
- Check and clear recalls on trade-in vehicles, as needed

# ZIGGY'S AUTO SALES

3806 South Westnedge  
Kalamazoo, MI 49008

(269) 381-9039

[www.ziggysauto.com](http://www.ziggysauto.com)

Monday through Friday  
10 AM to 6 PM

Saturdays  
10 AM to 1 PM

Other Hours By  
Appointment

VEHICLE  
DEALER  
DOCUMENT  
PROCESSING  
FEES

in  
the

STATE  
OF  
MICHIGAN