

Lease Buyouts thru Colorado Dealers

Douglas County Motor Vehicle Department has noticed an increase of Dealers issuing Temporary Permits to customers who buyout their lease thru the Dealer. The Dealer is to only collect sales tax and process the title work. **DO NOT ISSUE A TEMPORARY PERMIT.** When a customer buy's out their lease the license plates remain in their name. The license plates belong to the individual (Lessee) and will be transferred when the title is processed from the Lessor to the Lessee. If the customer's license plates are expired at the time of the buyout they need to renew the license plates. When the lease buyout is processed the plates will be transferred over. It is in the customer's best interest to renew the vehicle as soon as possible. If the Dealer issues a temporary permit for 60 days because the customer's license plates are expired, the customer will incur a \$25 late fee for each month past the expiration date, up to \$100 and will have back ownership tax on top of the late fees. A 60 temp could cost the customer \$50 in late fees plus back ownership tax.

When the dealer process's a lease buyout please check the appropriate box on the DR2395 Application for Title. The Lease Buyout box is located in the center of the form just right of the Legal Name(s) as it appears on Identification and Address of Owner(s) or Entity. If the box is not checked, it will be processed as a regular title transfer and the license plate record will not be carried over to the new title record. The dealer is not to issue any temporary permit for a lease buyout and needs to check the appropriate box to indicate to the motor vehicle department that it is a Lease Buyout.

LEGAL NAME(S) AS IT APPEARS ON IDENTIFICATION* AND ADDRESS OF OWNER(S) OR ENTITY	Lease Buy-Out
	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> DR 2421 Attached	JTWROS
	<input type="checkbox"/> Yes <input type="checkbox"/> No