

## THE DEALER UPDATE

Summer 2021

### Fewer Car Brands in the Future

By: Frank Friday,  
Government Affairs Executive

If you like cars, the last 30 years or so have been a great time to be around. Brands from every part of Europe and Asia have been shipped into our country, and the domestic Big 3 makers, while slowed by financial issues of 2008, are still very much around.

But the North American market is not growing as in previous generations. With the gradual transition to electric cars, and with the switch of interest in sedans to SUVs, something must give.

Lots of famous brands have already been retired- Plymouth in 2001, Oldsmobile 2004, Pontiac in 2010, and Mercury in 2011. Oldsmobile, founded in 1897, was the oldest surviving American auto brand and the world's first mass production automobile.

But with the recent merger of Fiat Chrysler and Peugeot/Citroen, expect to see a lot of excess brands get the ax, or at least wind up never being offered in North America again, starting with Fiat, Lancia, Opel, Alpha Romeo, Peugeot, and Citroen. The brands they plan to retain, Jeep and Ram, are the most profitable vehicles the new company, Stellantis, manufactures. Since Chrysler is down to a minivan platform and the 300, that brand may go soon as well, in favor of putting the remaining cars under Dodge.

Ford USA no longer offers any actual

### A Message from the Jefferson County Clerk

As you know the Downtown Dealer Department, Motor Vehicle Records and Lien Department recently moved to our new home on the 3rd floor of the First Trust Centre. Having all three departments together on the same floor has been very convenient for the dealers and customers. I hope you've had a chance to visit the new modern location, as well as our newly relocated Motor Vehicle Downtown Branch on the 2nd floor of the First Trust Centre.

As things are beginning to return to normal for area businesses after a very challenging year, I am thankful to be able to resume the Wait-Work service for our dealers. With new hours of operation, Wait-Work resumed in the downtown Dealer Department and all motor vehicle branches on June 11<sup>th</sup>. The new hours are:

Downtown Dealer Department: 8:00 a.m. – 1:00 p.m. (5 pieces)

1:00 p.m. – 3:00 p.m. (2 pieces)

Branch Locations: 8:30 a.m. – 11:00 a.m. (3 pieces)

I thank you again for your patience as we worked together through this past year with altered services and sometimes limited staff. I truly appreciate the working relationship our office has with you.

If you have any questions or suggestions as to how the Clerk's Office can better serve you, please contact us here in the Dealer Department. If you are not already receiving Dealer Direct email messages with special announcements from the Clerk's Office, please make it known. These emails are the most effective way to reach you between quarterly newsletters. As always, we look forward to bringing you VIP services!

May the summer season be safe for you and yours.



*Bobbie*

**Bobbie Holsclaw**  
Jefferson County Clerk

## Kentucky License Plates Given Fresh Look

By: Jordan Kelch,  
Public Relations

For decades, Kentucky license plates have been produced by Kentucky Correctional Industries (KCI). The weighty metal pieces are made each day by inmates at the Kentucky State Reformatory. Soon enough, though, the traditional embossed numbers and letters will be extinct. In fact, unbeknownst to some, the transition has already begun. Vehicles all over the Commonwealth are sporting new flat license plates with letters and numbers digitally printed onto aluminum.

While the cosmetic difference is striking, bigger changes are happening behind the scenes. Traditionally, the Commonwealth oversees filing, storing, and distributing over 300 license plate types to 145 locations and two warehouses. By utilizing digital technology, all plates, whether specialty or standard, can be produced as needed. KCI can now print all requested orders and numbers before shipping them directly to the 120 county clerks of Kentucky. What this means, of course, is that the days of mass plate production are over. This will undoubtedly save the Commonwealth, and the Kentucky Transportation Cabinet, a great deal of money.



### New style

Kentucky's new license plates are light, flat, and digitally printed onto aluminum.

### Old style

The traditional Kentucky license plate is metal and features embossed numbers and letters.

This transition, from embossed metal to flat aluminum, had been in the works for some time. However, the Coronavirus pandemic actually sped up the process. When normal production at the Kentucky State Reformatory had to be shut down due to health concerns, KCI turned to the digital process, rolling out their new products ahead of schedule. Because of the reformatory closure, though, plate printing and manufacturing had to be temporarily accommodated at the Indiana-based plant of Intellectual Technology Inc., the vendor of the new production equipment.

The replacement of older license plates with the new, flat, aluminum models will take place over time.

Thankfully, this increased efficiency shouldn't cost vehicle owners in any way; license plates and registration continue to be functions of the county clerk, and all avenues of customer service will remain the same.

Sources: Commonwealth of Kentucky, <https://drive.ky.gov/motor-vehicle-licensing/Pages/License-Plates.aspx>

Kentucky Today, <https://www.kentuckytoday.com/stories/new-kind-of-license-plate-coming-in-kentucky,27907>

The River City News, <https://www.rcnky.com/articles/2020/09/13/new-flat-surface-license-plates-make-debut-kentucky-vehicles>

WLKY, <https://www.wlky.com/article/new-flat-surface-license-plate-making-debut-in-kentucky/34098512>

Continued from page 1

sedans in its lineup, aside from the Mustang, as everything else, including Lincoln, is a light truck/SUV/cross-over/minivan. Ford loses money everywhere but North America, where their trucks still carry the company.

Likewise, GM is phasing out regular cars for more trucks and SUVs. The rear-engine Corvette is likely the only "sedan" that has any real future.

Meanwhile, foreign automakers are pulling back as well. Mitsubishi gave up on North America and Western Europe a few years ago, its once substantial factories being shuttered. Other famous car brands are now just nameplates for

Chinese companies (Volvo cars) or Indian conglomerates (Land Rover, Jaguar)

The market for heavy duty trucks also went through this market rationalization a few decades earlier. The world's largest big truck maker is Daimler, split off from Mercedes Benz, which bought out Ford's big truck business 20 years ago. They acquired Freightliner in 1981, along with the old White, Western Star, and Thomas Bus brands, as well.

The second biggest truck maker, Volvo, did much the same. They expanded in Europe, buying out Renault's truck business which recently purchased Mack. Today there are just 4 big truck makers in the world- Daimler, Volvo, Paccar, and Navistar. However, local

Asian truck builders have international ambitions. Japan's Hino recently began building big trucks in West Virginia, and other Asian offerings may be on the way.

Oddly enough, it is in the world of specialty big trucks that we see America's oldest vehicle brand still operating. Autocar, now located in Indiana, began building touring cars in Pittsburgh in 1897. Long a subsidiary line of heavy-duty vocational trucks owned by White, it regained its independence in 2001 and is steadily putting out a small line of work trucks today. So, you never know which brands are headed for the scrap yard, and which ones will keep on truckin'.

## What's in a Name: Sales Tax, Use Tax

By: Frank Friday,  
Government Affairs Executive

Kentucky imposes both a sales tax and use tax of 6% on the cost of all retail items. While both taxes are very similar and complimentary, they are not quite the same.

The use tax came first and was originally applied to automobile sales. The general sales tax only came along in 1960 and, thankfully, there is still no local general sales taxes allowed.

The use tax is imposed on the purchase price of tangible personal property, digital property purchased for storage use, or other consumption in Kentucky. The use tax is a "back stop" for sales tax and generally applies to property purchased outside the state for storage use or consumption within the state. This type of tax can be collected by the state, i.e., the clerk, when an item is titled, no matter where the sale was made.

Used vehicle sales also carry the 6% tax, being on the current average retail as listed in the Used Car Guide or 6% of total consideration

paid. On used vehicles, total consideration paid is the total given less any trade-in allowance, if applicable. Trade-in allowance applies to used vehicles only and the vehicle being traded must be previously registered in Kentucky.

Sales Tax is imposed on the gross receipts derived from both retail sales of tangible personal property, digital property, and sales of certain services. Kentucky did not collect sales taxes on the many services performed, but in 2018 passed laws broadening the base of which services can be taxed. Labor and services such as car repair, landscaping, janitorial services, and more are subject to sales tax on the labor charges as well as the materials consumed.

Many exemptions also apply to the sales tax. For example, groceries are exempt, but not candy, soda pop, or prepared foods. Prescription drugs are exempt, but not over the counter drugs, and so forth.

'The general sales tax only came along in 1960...'

Internet retailers are also slowly being drawn into collecting Kentucky sales taxes. Out-of-state retailers with 200 or more sales into the state or \$100,000 or more in gross receipts from sales into the state are to register and collect Kentucky sales and use tax. These thresholds are the same as confirmed in the Wayfair US Supreme Court decision.

Years ago, it was thought the internet would be the ruin of state sales taxes, but so many of the sellers have become so big, like Amazon, and have a major physical presence everywhere, it has become relatively easy for the 45 states, who have sales and use taxes, to collect them.





Jefferson County Clerk's Office  
Dealer Services  
First Trust Centre  
200 S Fifth Street, Suite 300 South  
Louisville, KY 40202

**JeffersonCountyClerk.org**

Alan McNeil, Manager  
Armond Bethel, Assistant Manager  
Phone: 502.574.5892  
Fax: 502.584.3214  
Email: amcneil@jeffersoncountyclerk.org  
Email: abethel@jeffersoncountyclerk.org

Bobbie Holsclaw, Publisher  
Jefferson County Clerk

**Motor Vehicle Staff:**

Karen Fields,  
Co-Director

Angela Wilson,  
Co-Director

Alan McNeil,  
Manager, Dealer Services

Armond Bethel,  
Assistant Manager, Dealer Services

Lauren Glymph,  
Motor Vehicle Administration

**Contributing Writers:**

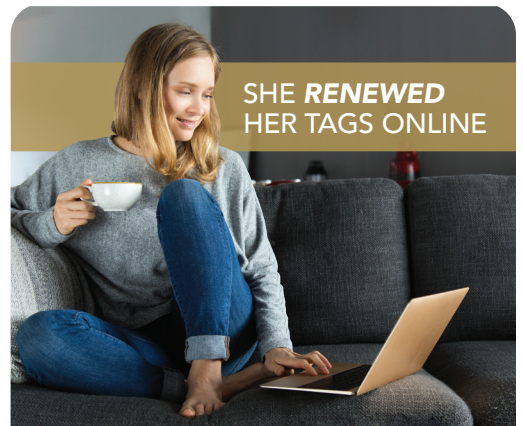
Frank Friday,  
Gov't Affairs Executive

Jordan Kelch,  
Public Relations

**Holiday Closings**

**Independence Day  
(Observed)**  
July 5, 2021

**Labor Day**  
September 6, 2021



**SHE RENEWED  
HER TAGS ONLINE**

**4 OPTIONS**  
TO RENEW CAR TAGS

**ONLINE**

JeffersonCountyClerk.org

**TELEPHONE**

502-569-3300

**MAIL-IN**

P.O. Box 33033  
Louisville, KY 40232-3033

**DROP-BOX**

At every Jefferson County  
Motor Vehicle location



*Bobbie Holsclaw*  
JEFFERSON COUNTY CLERK  
BRINGING YOU VIP SERVICE

facebook.com/JCCOKY