

Quiz section 5-8

1. when collecting sales and use tax who should the dealer remit the fees to
 - a. department of motor vehicles
 - b. cal trans
 - c. board of equalization
2. what tax rate is used to determine the amount of sales and use tax to be collected from the customer
 - a. the county where the registered owner resides
 - b. the county where the dealership is located
 - c. the county where the local dmv is located
3. _____ (y/n) is finance charges, insurance charges and smog certification fee taxable?
4. _____ (y/n) if you are engaged in business in california should you obtain a seller's permit?
5. _____ (y/n) if a lessee decides to purchase the leased vehicle at the end of their lease term is the dealer required to perform a safety inspection?
6. _____ (t/f) it is perfectly legal to sell a death trap to a consumer?
7. What is the size of a classified print ad?
 - a. 2 column width by 4"
 - b. 2 column width by 7"
 - c. 2 column width by 8"
8. What is the second primary type of advertisement? A) newspaper b) radio c) display print ad
9. what are part of division 12 safety equipment; circle all correct answers
 - a. driver and passenger doors
 - b. horn
 - c. bumper
 - d. tires
 - e. alignment
 - f. brakes
10. _____ (y/n) can division 12 safety equipment be waived with customer's consent?
11. _____ (t/f) if you list the price of the vehicle for sale in a display ad, must you include in the ad the costs for taxes, fees and any additional charges you intend to include?
12. _____ (y/n) can the dealer represent the dealer document preparation charge as a government fee?
13. _____ (y/n) can the dealer require the customer to pay a higher price for a vehicle if it is financed versus paying cash?
14. _____ (y/n) can a salesperson negotiate the final terms of a transaction?
15. _____ (y/n) must the dealer affix a buyer's guide to all vehicles on the lot for sale?
16. _____ (t/f) a used motor vehicle dealer may not advertise free gifts or services contingent upon the sale of a vehicle
17. _____ (y/n) must the display ad identify the dealer by the name under which the dealer does business?
18. if a customer purchased a vehicle costing \$10,000 - \$39,999 and a contract cancellation option contract and decides to return the vehicle within the time specified, the dealer can charge a maximum restocking fee of?
19. a used motor vehicle dealer may not advertise any vehicle for sale without identifying (circle all correct answers)
 - a. last six digits of the vin
 - b. mpg
 - c. model year
 - d. color of vehicle
 - e. seating capacity
 - f. model
20. a dealer is prohibited from advertising a vehicle as "certified" if (circle all correct answers)
 - a. odometer does not indicate the actual mileage
 - b. unknown origin of seller
 - c. the title was branded as a lemon law buyback
 - d. The vehicle has frame damage
 - e. the vehicle was repossessed
 - f. the vehicle has a broken windshield

21. _____ (t/f) a used motor vehicle dealer must sell the vehicle at the advertised price, or less, even if the buyer is unaware of the advertised price
22. _____ (t/f) a used motor vehicle dealer does not have to withdraw any advertisement of a vehicle within 48 hours that has been sold or withdrawn from sale
23. _____ (t/f) it is legal to rollback, turn back or reset an odometer with the intent to defraud
24. What is the maximum a dealer can charge for the smog certification fee?
a. \$8 b. \$8.25 c. \$8.50
25. if an odometer is incapable of registering the same mileage as before being serviced, repaired or replaced, the dealer is required to attach a written notice to:
a. dashboard c. glove box
b. the left doorframe
26. What is the maximum a dealer can charge a customer for the smog test? A) \$50 b) \$60 c) \$70
27. what form must accompany a non-complying title?
a. reg 256 statement of facts
b. reg 262 transfer of title with federal odometer disclosure statement
c. inf 1126 registration information request