



# STATE OF SOUTH CAROLINA DEPARTMENT OF CONSUMER AFFAIRS



## Mailing Address

P.O. Box 5757  
Columbia, SC 29250-5757

## MOTOR VEHICLE DEALER CLOSING FEE INSTRUCTIONS

S.C. Code Ann. § 37-2-307  
(803) 734-0046 | [consumer.sc.gov](http://consumer.sc.gov) | (803) 734-4200

## Street Address

293 Greystone Blvd., Ste. 400  
Columbia, SC 29210-8004

### NOTICE OF CLOSING FEE (Read instructions carefully as the law has recently changed - Effective 5/16/2023)

Prior to charging a closing fee (sometimes referred to by other terms such as doc fee, doc prep fee, administrative fee, processing fee), a motor vehicle dealer must provide written notice to the S.C. Department of Consumer Affairs of the maximum amount of a closing fee the dealer intends to charge.

If the maximum amount the dealer intends to charge is **\$225 or less**:

- complete and submit the Notice of Closing Fee Form and pay the registration fee;
- the proposed fee will automatically be considered reasonable; and
- the dealer can begin charging it after posting the Certificate issued by the Department.

If the maximum amount the dealer intends to charge is **more than \$225**:

- complete and submit the Notice of Closing Fee Form and pay the registration fee;
- complete and submit the Addendum;
- the proposed fee will be subject to review by the Department for reasonableness based on the information provided in the Addendum; and
- the dealer can begin charging it after posting the Certificate issued by the Department.

The closing fee must be prominently displayed with the advertised price of the motor vehicle, disclosed on the sales contract, and displayed in a conspicuous location in the dealership.

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### CLOSING FEE

A closing fee is a fee for recovery of a motor vehicle dealer's actual costs for all administrative and financial work needed to transfer the motor vehicle to the consumer including, but not limited to, compliance with all state, federal, and lender requirements, preparation and retrieval of documents, protection of the private personal information of the consumer, records retention, and storage costs.

Official fees (for example, tax, tags, and title) are not included in the closing fee and should be listed separately on the sales contract.

In determining the reasonableness of a closing fee, the department shall accept and allow all of the dealer's actual costs and expenses including, but not limited to, employee compensation, information processing, facilities costs, supplies, and materials associated with the following closing and delivery activities:

1. closing the motor vehicle sale or lease transaction, including any associated loan or lease and transferring title of the motor vehicle to the consumer;
2. delivering the motor vehicle to the consumer;
3. complying with all state, federal, and lender requirements;
4. preparing, storing, and retrieving transaction documents; and
5. protecting the private personal information of the consumer.

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### REGISTRATION FEE

The Notice of Closing Fee Form must be accompanied by a registration fee of \$25.00. Make checks and money orders payable to the **S.C. Department of Consumer Affairs, Attn: Legal Division-Registered Creditors, P.O. Box 5757, Columbia, S.C. 29250.**

**MAKE SURE TO COMPLETE THE NOTICE OF CLOSING FEE FORM AND THE ADDENDUM, IF APPLICABLE, IN THEIR ENTIRETY. THE APPLICATION IS NOT COMPLETE UNTIL THE DEPARTMENT RECEIVES THE REQUIRED DOCUMENTS AND FILING FEE.**



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**MOTOR VEHICLE DEALER  
NOTICE OF CLOSING FEE ADDENDUM**

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**Street Address**

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Columbia, SC 29210-8004

**IF THE PROPOSED CLOSING FEE AMOUNT EXCEEDS \$225.00, THIS FORM AND THE REQUIRED ATTACHMENT MUST BE FILED WITH THE NOTICE OF CLOSING FEE FORM.**

The S.C. Department of Consumer Affairs is responsible for processing Notice of Closing Fee forms and issuing certificates to be posted at locations where a motor vehicle dealer intends to charge a closing fee. The Department may review the amount of the proposed closing fee for reasonableness if the maximum amount of the closing fee exceeds \$225.00 per vehicle.

If the Department intends to conduct a formal review of the proposed closing fee amount, the Department will provide written notice to the dealer within fifteen (15) days of receiving a **complete** application (Notice of Closing Fee form, Addendum form, supporting financial documentation, and payment of the \$25 filing fee).

Business Name \_\_\_\_\_

Contact Name \_\_\_\_\_

1. Attach an explanation of the method used to calculate the proposed maximum closing fee.
2. List all supporting documents used in calculating the proposed maximum closing fee:

\_\_\_\_\_

\_\_\_\_\_

3. Indicate the dollar amount for the dealer's actual costs and expenses associated with each of the following activities.

a. closing the motor vehicle transaction, including any associated loan or lease and transferring title of the motor vehicle to the consumer \$ \_\_\_\_\_

b. delivering the motor vehicle to the consumer \$ \_\_\_\_\_

c. complying with all state, federal, and lender requirements \$ \_\_\_\_\_

d. preparing, storing, and retrieving transaction documents \$ \_\_\_\_\_

e. protecting the private personal information of the consumer \$ \_\_\_\_\_

**TOTAL\*** \$ \_\_\_\_\_

*\*The total dollar amount must equal the proposed maximum closing fee amount provided on the Notice of Closing Fee form.*

4. I attest that the dealer costs stated herein and in the supporting financial documentation were calculated using generally accepted cost accounting principles for the preceding twelve-month period.

Name & Title of Person \_\_\_\_\_  
Providing Financial Info: \_\_\_\_\_ Phone #: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**The South Carolina Freedom of Information Act may require the Department to release a copy of your filing as a public record. Personal identifying information will be released only if required by law.**