AUTOMOBILE DEALER TRAINING ASSOCIATION



New Mexico Dealer Renewal Compliance Guide

2027 Edition

Latest New Mexico laws, dealer rules and the federal changes every New Mexico dealer should know when renewing your license.

newmexicodealer.com
New Mexico Dealer Continuing Education

Automobile Dealer
Training Association



Are You Still Compliant?

New Mexico and federal dealer rules changed significantly this year. Most dealers never hear about them until it's too late. This short update shows you what changed and what to watch for.

— Delus Johnson, Your Dealer Course Instructor

Quick Self-Check: Can You Answer "Yes" to All Six?

1. **Do your ads show the full cash price?**
   Website, Facebook Marketplace and window stickers
2. **Can you prove every discount claim?**
   Against a verifiable reference price
3. **Are you e-filing payroll returns by the 25th?**
   Now required for every employer
4. **Do your quotes use the new registration fees?**
   Passenger fees went up about 25%
5. **Do you know which salvage titles you can sell?**
   A salvage certificate can't be titled in New Mexico
6. **Do you honor every texting opt-out?**
   New federal rules start January 31, 2027

What's Inside

- **Part 1:** Latest New Mexico law changes
- **Part 2:** Salvage title essentials
- **Part 3:** Federal rules for 2026 and 2027
- **Plus:** What your tuition includes

A "no" to any question above? Our New Mexico continuing education course covers every item in detail, and you can start and stop the course at your convenience.

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PART 1

Latest New Mexico Law Changes

New and recent New Mexico laws and rules that affect your dealership.

1 New Advertising and Sales Rule 12.2.4 NMAC

The New Mexico Department of Justice repealed and replaced its rule on the advertising and sale of motor vehicles. The rule now covers:

- Window and supplemental stickers, including charges above MSRP
- When dealer-added equipment was installed
- Discounts tied to a verifiable reference price
- Advertised prices that are the full cash price
- Rebates: show the full price and the price after the incentive
- Only advertising vehicles that are actually available
- Never advertising used or demo vehicles as new
- Fees and charges added separately from the price

The Department says the rule does not stop dealers from making a profit on vehicles, accessories, products or services.

Check now: your website pricing, Facebook Marketplace and online ads, supplemental stickers and advertised rebates. Make sure salespeople know the difference between MSRP, advertised price and final selling price.

2 Payroll Returns: E-File Required HB 218

Every employer, even a small lot with one employee, must now **file and pay electronically**: quarterly wage withholding, workers' compensation fees (now combined with the withholding return), non-wage withholding and annual withholding statements (due January 31).

Quarter	New due date (was the last day of the month)
January to March	April 25
April to June	July 25
July to September	October 25
October to December	January 25

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3 Registration Fees Went Up

Passenger vehicle registration fees rose **25%** (now about $26 to $70 a year), and the weight-distance tax on commercial trucks rose 35%. The 25% increase does not apply to trucks, RVs, motorcycles, buses or off-highway vehicles.

Dealer action: Update your registration fee estimates, buyer's orders and dealer software so customers see the right amount.

4 Personal Information Protection SB 36

The Nondisclosure of Sensitive Personal Information Act limits how state agencies, including MVD and its contractors, can share people's personal information. It mainly applies to state employees, not dealers. Your own duties to protect customer data come from New Mexico's Data Breach Notification Act and the FTC Safeguards Rule (see Part 3).

- Keep customer files, licenses and credit applications locked and encrypted.
- Collect only what you need, and train staff on privacy.
- Have a plan to notify customers quickly after a data breach.

5 Paid Sick Leave and Caregiver Leave

Under the Healthy Workplaces Act, every private employer, including small dealerships, must give paid sick leave: at least **1 hour for every 30 hours worked**. The Caregiver Leave Act lets employees use sick leave to care for family members, and new rules now carry it out.

- Keep accurate sick leave records and review your handbook.
- Never penalize an employee for using protected leave.

6 Franchised and RV Dealers

Two proposed bills, one on RV manufacturer and dealer agreements (SB 287) and one on franchise practices (SB 439), **did not pass**. The existing Motor Vehicle Dealers Franchising Act still governs terminations, ownership transfers, warranty reimbursement and manufacturer coercion.

IN THE COURSE How to check your ads, payroll filings, fee quotes and employee policies against the new rules.

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PART 2

Salvage Title Essentials

Buying the wrong salvage vehicle can leave you with a car you can't title or sell. Know these rules before you bid.

1 The Salvage Brand Stays NMSA 66-3-7B

A vehicle transferred on an original title branded **"SALVAGE"** must keep that brand on every title after it. Some states issue a "Reconditioned" title. New Mexico treats it the same as a salvage title, and it can be transferred here with the required brand.

2 Salvage Certificates Can't Be Titled

A salvage certificate means the vehicle is considered **unfit or unsafe to drive or move on the highway**. New Mexico will not issue a title for it.

Document	What it means
Salvage Title	Shows the vehicle's brand and history. It can be registered after meeting specific requirements.
Salvage Certificate	The vehicle may not be driven on public roads and cannot be titled in New Mexico.

3 No Conversion in New Mexico

Some states let you convert a salvage certificate to a salvage title after a safety inspection and VIN check. New Mexico has no certified safety inspection station program, so **that conversion is not available here**.

Before you buy at auction: Check whether the vehicle comes with a salvage title or a salvage certificate, and from which state. A certificate vehicle may only be good for parts.

IN THE COURSE Salvage, rebuilt and out-of-state brands, plus free videos on complete titles, lost titles and national title information.

Why This Matters

None of these rules arrive with a letter in your mailbox. A dealer who misses one can lose a sale, a customer or a renewal. Our course explains each change in plain English, with examples from real New Mexico deals.

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PART 3

Federal Rules for 2026 and 2027

These apply to every New Mexico dealer, including small and buy-here-pay-here lots.

1 FTC Safeguards Rule: Breach Reporting

Dealers who arrange financing must have a written information security program. If unencrypted data on **500 or more customers** is exposed, you must report it to the FTC within **30 days**. The FTC may post the report publicly.

2 CARS Rule Vacated, but Still Enforced

A federal court threw out the FTC's CARS Rule in 2025. The FTC and state attorneys general still go after deceptive pricing, hidden add-on fees and bait advertising under unfair and deceptive practices (UDAP) laws. Some states are passing their own versions.

3 Car Loan Interest Deduction

Buyers may deduct up to $10,000 a year in interest on loans for **new, U.S.-assembled** vehicles. Final IRS rules came out in 2026. Lenders, including some dealers who finance their own sales, must report this interest to the IRS and the buyer.

4 Texting and Calling Customers (TCPA)

Customers can opt out in any reasonable way, such as replying "stop." New FCC "revoke-all" rules start **January 31, 2027**. One opt-out may cover all your marketing texts and calls. Fines run up to $1,500 per message.

5 Coming Soon: Right to Repair

The REPAIR Act is pending in Congress. A narrower version is in the Motor Vehicle Modernization Act of 2026 (H.R. 7389), which a House committee passed 48-1 in May 2026.

6 Other Federal Reminders

- Federal EV clean vehicle tax credits ended for vehicles bought after **September 30, 2025**. Remove old credit claims from your ads.
- Cash over $10,000 in one deal still requires IRS **Form 8300** within 15 days.

IN THE COURSE What each federal rule means for your lot, plus free videos on financing, cash reporting and odometer fraud.

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What Your Tuition Includes, at No Extra Charge

Start and Stop at Your Convenience

Work through your continuing ed course on your own schedule.

No Hidden Fees or Membership Dues
One price, nothing added later

State-Approved Continuing Ed
Meets your New Mexico renewal requirement

Official Certificate of Completion
Proof for your renewal

Dealer Discount Codes
Savings on dealer products and services

Technical Support
Real help when you need it

Additional Profit Videos
Included with your tuition

Free Dealer Profit Strategy Videos

- ✓ Dealer Management Software
- ✓ Vehicle Pricing and Negotiation
- ✓ Guaranteed SBA Dealer Loans
- ✓ Donate Vehicles For Tax Writeoffs
- ✓ Consignments and Trade Ins
- ✓ Get a Dealer Floor Plan
- ✓ Get Loans for Every Customer
- ✓ Lucrative Buy Here Pay Here
- ✓ Complete Titles and Lost Titles
- ✓ National Motor Vehicle Title Info
- ✓ Odometer Fraud and Disclosure
- ✓ Hiring Tips for Dealers
- ✓ Financing and Cash Reporting
- ✓ Vehicle History Reports
- ✓ Hiring Employees for Dealerships
- ✓ Exporting Vehicles to Other Countries

Stay Compliant. Keep Your License. Grow Your Profits.

Take your New Mexico dealer continuing education with the course that includes profit training, not just the state minimum.

newmexicodealer.com

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