

Program Administrative Rule LIC-10.04

Exceptions to Regulated Property Sale Limitations

Unless stated as exempt from reporting requirements, the following types of transactions must be entered into the reporting system.

A. A Dealer is not required to obtain the seller's identification, photograph the seller, record the seller's thumbprint, or have the seller complete the Declaration of Proof of Ownership if the Dealer complies with the remaining requirements in the Administrative Rules and if:

- 1.** The item is acquired through consignment by a Dealer and the consigned property is mailed or shipped to the Dealer.
- 2.** The item is acquired during a trade show. Items acquired during a trade show may be sold or traded during the trade show without being held or entered into the reporting system. Items still in a Dealer's possession at the end of the show held at a location within 400 miles of the City of Portland will be subject to the hold period and reporting requirements in effect for that Dealer's acquisitions of regulated property. The required reporting of the acquisitions must occur within two business days of the end of the trade show. The Dealer must enter at least the following information into the reporting system: a complete, clear and accurate description of the regulated property of sufficient detail to distinguish like objects one from the other, and the name and date of the event and the address of the venue in the name, date, and address fields.

An item acquired during a trade show held at a location more than 400 miles from the City of Portland is exempt from regulation under PCC 14B.90 if the Dealer has a bill of lading, receipt, invoice or the equivalent for the item that specifies the seller's name, physical and mailing address, show location, date of transaction and a description of the purchased item. The bill of lading, receipt, invoice or the equivalent must remain in the Dealer's possession for one year or as long as the property is in the Dealer's possession, whichever is longer.

- 3.** The item is acquired from a business whose acquisitions of regulated property consist exclusively of donated items and/or purchases from a 501(c)3 organization. The Dealer must enter the name and location address of the business and the date of the acquisition into the reporting system.

4. The item is acquired through an internet transaction and the item is mailed or shipped to the Dealer. The Dealer must enter the seller's email address or seller's identification, the name of the internet website that listed the item, and the date of the acquisition into the reporting system.

5. The item is acquired by the Dealer from a yard sale, garage sale, estate sale or swap meet. The Dealer must enter the physical address of the sale location and the date of the acquisition into the reporting system.

Items acquired under Subsection A. must be held in compliance with the hold period requirement in effect for the Dealer's other acquisitions of regulated property. The hold period begins the day the acquisition is reported to the Portland Police Bureau.

B. A Dealer is not required to obtain the seller's identification, photograph the seller, record the seller's thumbprint, have the seller complete the Declaration of Proof of Ownership, or hold the item if the Dealer complies with the remaining requirements in the Administrative Rules and if:

1. The item is regulated property acquired from a duly registered business located outside the state of Oregon or Washington. The Dealer must keep a receipt for the item from the registered business that includes the registered business' name and a description of the item. The receipt must be retained at the Dealer's business location for one year or until the item is sold, whichever is longer. The Dealer must enter into the reporting system transaction record:

a. the name and location address of the business into the name and address fields;

b. the date of the acquisition; and

c. a digital photograph of sufficient size and focus to identify an item and distinguish it from similar items.

C. A Dealer is not required to photograph the seller, record the seller's thumbprint or have the seller complete the Declaration of Proof of Ownership if the Dealer complies with the remaining requirements in the Administrative Rules and if:

1. The item is regulated property taken to the Dealer for repair;

2. The Dealer photocopied the customer's valid identification when the item was brought in for repair;

- 3.** The item has been abandoned or consigned to the Dealer;
- 4.** The item is reported into the reporting system on the same day that it is abandoned or consigned; and
- 5.** The item is held for 15 days after it is reported into the reporting system.

D. A Dealer is not required to make a copy of the acceptable identification obtained from the seller, photograph the seller, or record the seller's thumbprint if the Dealer complies with the following requirements:

- 1.** Conducts each and every acquisition of regulated property by either:
 - a.** not tendering payment to the seller for a minimum of 15 days after the regulated property is delivered to the Dealer; or
 - b.** offering in-store credit that must be used for merchandise at that store only and not redeemed for cash; and
- 2.** Holds each and every item of regulated property for a minimum of 15 days from the date of acquisition; and
- 3.** Complies with the remaining requirements set forth in the Administrative Rules; and
- 4.** Notifies the Director and the Chief of Police in writing that each and every acquisition of regulated property will be conducted by either:
 - a.** not tendering payment to the seller for a minimum of 15 days after the regulated property is delivered to the Dealer; or
 - b.** offering in-store credit that must be used for merchandise at that store only and not redeemed for cash.

E. A Dealer is not required to make a copy of the acceptable identification obtained from the seller, photograph the seller, or record the seller's thumbprint when the Dealer acquires an item of regulated property on consignment if the Dealer complies with the following requirements:

- 1.** Does not tender payment to the consignor for a minimum of 15 days after the regulated property is delivered to the Dealer;

2. Holds each and every item of consigned regulated property for a minimum of 15 days; and

3. Complies with the remaining requirements in the Administrative Rules.

F. Notwithstanding Section 14B.90.090 A, the hold period for items may be reduced from 30 days to 20 days if the item either displays a complete legible serial number; or is an item of jewelry; or is precious metal scrap. The Dealer must:

1. Report the acquisition into the reporting system on the same day the acquisition occurs; and

2. Include a description in the reporting system entry of the degree of detail for the type of item as required in the Administrative Rules and 14B.90; and

3. Include a digital photograph of sufficient size and focus to identify the item and distinguish it from similar items and that clearly shows any legible serial number on the item in the reporting system entry; and

4. Comply with all remaining requirements in the Administrative Rules.

A Dealer may be required to reinstate a 30-day hold period if an examination of the reporting system entries reveals a pattern of insufficient item descriptions or insufficient photographs.

G. A Dealer is not required to enter a transaction into the reporting system or hold the item if the acquired item is regulated property acquired from a registered business that has already entered the acquisition of that item into the reporting system. The Dealer must keep the receipt for the item from the registered business that includes the registered business' name and a description of the item. The receipt must be kept at the Dealer's business location for one year or until the item is sold, whichever is longer.

H. Notwithstanding Section 14B.90.090 A.3, a Dealer is not required to enter a transaction into the reporting system or hold the item if a customer, who originally purchased the item from the Dealer, returns it to the Dealer with the original receipt.

I. A Dealer is not required to hold the item if the item acquired is a gift card, in-store credit card, prepaid card, or a phone card if the Dealer complies with the remaining

requirements in the Administrative Rules and if the Dealer creates a record in the reporting system that includes:

1. The name of the company that issued the card, entered into the “Make/Brand” field; and
2. The card’s serial number, entered into the “Item serial number” field; and
3. The remaining value of the card, entered into the “Description” field; and
4. The price paid to the seller by the Dealer, entered into the “Total Price” field.

XX-XX-XXXX

Date
Adopted XX-XX-XXXX

Director, Revenue Division