

**Keeping it to themselves --
Things your insurer won't tell you . . .**

Keeping secrets is fine when you're in grade school, but when it comes to taking care of your bike, secrets are just what you don't need, especially from your insurance company. Here are some things your insurer won't tell you, and what you can do about it.

How insurance companies determine your bike's value after it's declared a "total loss."

Insurers say they use three mechanisms to determine the value of a totaled motorcycle: computerized vendor quotes, value books such as Kelley Blue Book, and a market search of the local area. But, the local area isn't specifically defined, and an insurer may be unable to locate a replacement bike within your neighborhood. If an insurer finds a replacement bike outside of your area, the valuation can be affected.

For instance, if you live in Houston, the cost of replacing your bike is going to be higher in the city than in the suburbs. The insurance company will consider quotes from those suburbs as reasonable estimates. They say their goal in totaling a bike is to allow the insured person to purchase, within their market, the same bike they lost in the accident. But even they admit that they can use one, two, or all three mechanisms to determine the value of your bike, which means you can't be sure exactly what value you'll end up with.

The Insurance Corner

What you can do: If you disagree with an insurance company's value determination, there are several things you can do. First and foremost, if you have records of maintenance that show you've had the oil changed regularly and had the bike checked routinely by a mechanic, copy those records and present them to the insurance company to show the bike was in great condition. If you had any add-ons, bolt-ons, or special parts installed on the bike, or if it's customized in some other way, make sure that is included in the insurance company's evaluation.

Get price quotes on replacement bikes from at least three shops within a reasonable driving distance and submit them as well. Ask the insurance company to provide you with a list of shops within a specific distance who can sell you a bike that is equivalent to your bike at the price the insurance company is quoting.

If you still aren't satisfied, you can step up the process and hire a lawyer. These techniques tend to be rather effective, especially when you use them knowing we are there to step in if your efforts fail.

You may be entitled to payment for sales tax and registration fees for a new motorcycle.

Most states require motorcycle insurers to pay for the sales tax when you replace your totaled bike with either a new or used one. Count on

having to make the request yourself; don't depend on the insurance company's adjuster to offer to pay up front.

Even in states that do not require sales tax reimbursement, you should request it. Motorcycle insurers should not deny the request, because the policy requires that they make you "whole". That means you should recover all costs to return you to where you were before the accident.

But be aware that the tax will be calculated on the pre-accident value of your bike. If the insurer values your bike at \$10,000 and you purchase a new one for \$20,000, the tax will be calculated on the \$10,000.

Clearly, given the cost of new and late-model bikes, the sales tax reimbursement can be substantial.

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