



Alabama Department of Revenue Motor Vehicle Division

Designated Agent Training Manual

About the Alabama Designated Agent Training

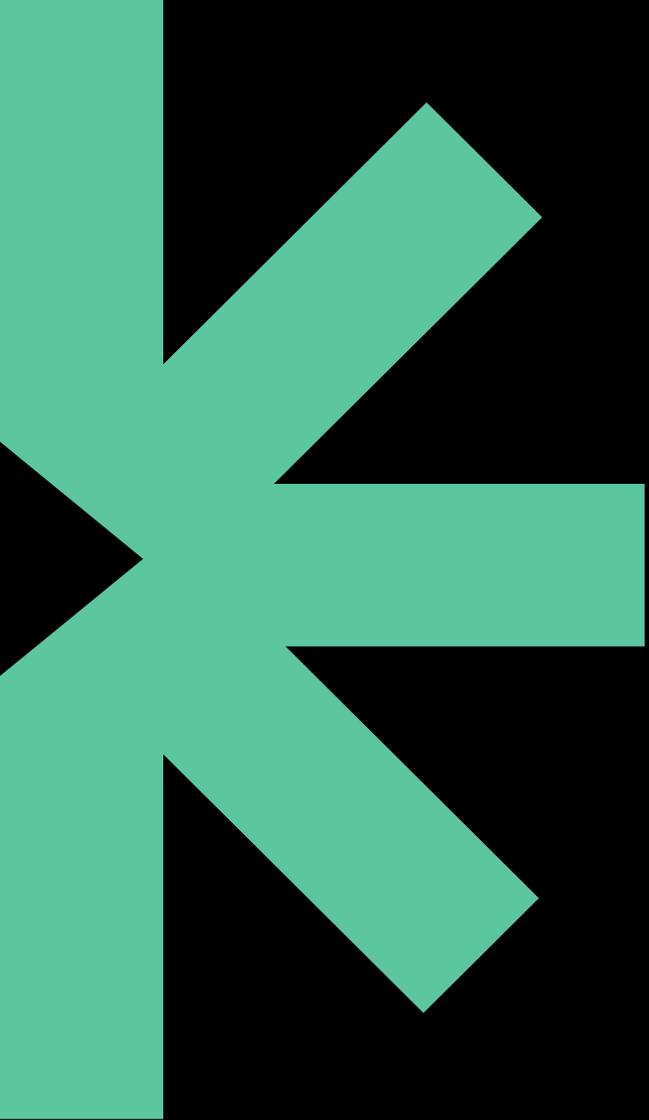
- The designated agent training course is a self-paced, training tool for designated agents who will use the MyDMV system to process Alabama title applications.
- The training program is presented in 8 self-paced quizzes.
- If you have any questions, please contact the Motor Vehicle Division.



The following Topics are Covered in this Course:

- **Module 1: Designated Agent Basics**
 - Alabama title law exemptions, designated agent responsibilities, the title application process, and the Driver Protection Privacy Act (DPPA)
- **Module 2: Titles, Fraud Detection, and Remediation**
 - Security features
- **Module 3: Title Application Basics**
 - Federal Truth in Mileage Act; odometer certification; completing a title assignment; Forms: Reassignment Form MVT 8-3, Correction Affidavit Form MVT 5-7, and Affidavit for Assignment of Title from a Deceased Owner Form MVT5-6.
- **Module 4: Title Assignments**
 - Primary supporting documents for title applications, sample title documents, title brands that may be found on an Alabama Certificate of Title, other primary supporting documents, such as: tag receipts, military registrations, title bonds, and court orders
- **Module 5: Power of Attorneys and Liens**
 - Power of Attorneys, Motor Vehicle Division Power of Attorney, Form MVT5-13, Secure Power of Attorney, Form MVT 8-4; How to perfect a lien; How to release a lien.
- **Module 6: Repossessions, Salvage, and Rebuilt Vehicles**
 - Repossessions, and salvage vehicles
- **Module 7: Dealer Tags, Temporary Tags, & Sales Tax**
 - Dealer Plates, Sales Tax FAQ's, & Dealer Temporary tags
- **Module 8: Managing Title Work**
 - Logging in and completing Title applications





Designated Agent Basics

Module 1

Alabama Title Law Exemptions

- The Alabama Uniform Certificate of Title and Anti-Theft Act **exempts certain vehicles** from titling requirements.
 - The vehicles described in the following lessons are **exempt from titling** in the State of Alabama.
- ① If a vehicle **is not required** to be titled, the Department of Revenue does not maintain records for the vehicle.



If a vehicle is owned by one of the entities or groups below, it is exempt from titling in the State of Alabama:

- A vehicle owned by the United States government or any agency thereof
- A vehicle owned by a manufacturer or dealer and held for sale, or a vehicle used by a manufacturer solely for testing.
- A vehicle owned by a non-resident of this state and not required by law to be registered in this state.
- A vehicle moved solely by animal power
- Vehicles that are low-speed, including neighborhood electric vehicles, defined as four-wheeled motor vehicles with a top speed of not greater than 25 miles per hour, a gross vehicle weight rating of fewer than 3,000 pounds, and complying with the safety standards provided in [49 C.F.R. Section 571.500](#)
- Vehicles that are a motor-driven cycle as defined in [Code of Alabama, 1975 §32-1-1.1](#)
- Mini-trucks as defined in Code of Alabama, 1975 [Section §40-12-240](#)
- An implement of husbandry (equipment that is used exclusively for agriculture).
- Utility trailers (other than moving



General Exemptions

If a vehicle is owned by one of the entities or groups below, it is exempt from titling in the State of Alabama:

- A vehicle owned by the United States government or any agency thereof
- A vehicle owned by a manufacturer or dealer and held for sale, or a vehicle used by a manufacturer solely for testing.
- A vehicle owned by a non-resident of this state and not required by law to be registered in this state.
- A vehicle **does not require titling** if an Alabama license plate issuing official has verified that both the current owner & operator are recorded as the owner and operator on a currently effective certificate of title issued by another state and the certificate of title is being held by a recorded lienholder.
- A vehicle moved solely by animal power
- Vehicles that are low-speed, including neighborhood electric vehicles, defined as four-wheeled motor vehicles with a top speed of not greater than 25 miles per hour, a gross vehicle weight rating of fewer than 3,000 pounds, and complying with the safety standards provided in [49 C.F.R. Section 571.500](#)
- Vehicles that are a motor-driven cycle as defined in [Code of Alabama, 1975 §32-1-1.1](#)
- Mini-trucks as defined in Code of Alabama, 1975 [Section §40-12-240](#)
- Gooseneck Utility Trailers (20 or less model years) are **NOT** exempt and **DO** require titling in Alabama.



Special Mobile Equipment Vehicles & Other Exemptions

- Every vehicle not designed or used primarily for the transportation of persons or property and only incidentally operated or moved over the highway is exempt, including but not limited to:
 - Ditch-digging apparatus, road construction & maintenance machinery, bumper-pulled car hauler trailers, bumper enclosed trailer, utility trailers, boat trailers.
- The term “Special Mobile Equipment Vehicles” does not include:
 - Equipment used exclusively for agriculture (an implement of husbandry)
 - Vehicles designed for the transportation of persons or property to which machinery has been attached.
 - Utility trailers defined as a vehicle without motive power designed to be drawn by a passenger car or pickup truck (bumper-pulled), including folding or collapsible camping trailers.
 - Bumper pull (enclosed or not)
 - Bumper- pulled car hauler trailers
 - Modular Home (manufactured homes model year 2000 and newer are subject to titling in Alabama.



Pole Trailers

- Exemptions include every vehicle **without motive power** designed to be drawn by another vehicle and attached to the towing vehicle by means of a reach or pole, or by being boomed or otherwise secured to the towing vehicle, and ordinarily used for transporting long or irregularly shaped loads such as logs, poles, pipes, boats, or structural members capable generally of sustaining themselves as beams between the supporting connections.



Age of the Vehicle

- Alabama law provides that a vehicle may be exempt from title requirements due to the **age of the vehicle**.
- ① The exemption due to age is applicable on January 1 of each year.
- The following vehicles are exempt from titling due to age:
 - A motor vehicle greater than 35-model years old
 - A manufactured home (1999 and prior) as defined in the Code of Alabama, 1975 [§32-20-2](#)
 - A trailer, semi-trailer, travel trailer, or moving collapsible and folder camper more than 20 model years old



Vessel Titling

EFFECTIVE JANUARY 1, 2024

- ACT 2022-144 codified to the Code of Alabama 1975
- Title 33 Chapter 5B: Uniform Certification of Title for Vessels Act

TITLE 33 NAVIGATION AND WATERCOURSES. ^

CHAPTER 1 GENERAL PROVISIONS RELATIVE TO HARBORS AND PORTS AND STATE DOCKS DEPARTMENT. v

CHAPTER 2 DEVELOPMENT OF DOCKS AND OTHER FACILITIES ALONG INLAND WATERWAYS. v

CHAPTER 3 HARBOR MASTERS. v

CHAPTER 4 PILOTS AND PILOTAGE. v

CHAPTER 4A STATE PILOTAGE COMMISSION. v

CHAPTER 5 REGISTRATION AND OPERATION OF VESSELS. v

CHAPTER 5A ABANDONED AND DERELICT VESSELS v

^

SECTION 33-5B-1 (EFFECTIVE JANUARY 1, 2024) SHORT TITLE. v

SECTION 33-5B-2 (EFFECTIVE JANUARY 1, 2024) DEFINITIONS. v

SECTION 33-5B-3 (EFFECTIVE JANUARY 1, 2024) APPLICABILITY. v

SECTION 33-5B-4 (EFFECTIVE JANUARY 1, 2024) SUPPLEMENTAL PRINCIPLES OF LAW AND EQUITY. v

SECTION 33-5B-5 (EFFECTIVE JANUARY 1, 2024) LAW GOVERNING VESSEL COVERED BY CERTIFICATE OF TITLE. v



Vessel Titling Requirements

- Vessels Required to be titled:
 - Vessels constructed after December 31, 2023 (some exclusions apply)
 - Vessels for which Alabama is the state of principal use on or after January 1, 2024.
 - Vessels less than 18 feet in length are only titled if they are propelled by an engine of at least 75 horsepower or greater. (Includes: sailboats, paddleboats, and rowboats).



Responsibilities of a Designated Agent

- Obtaining the information and documentation needed to complete the title application (per [Administrative Rule 810-5-75-.36](#))
- Physically inspecting a vehicle or manufactured home never titled in Alabama to verify the VIN and descriptive data.
- Properly completing and signing the application.
- Properly assembling the title application package and all required supporting documents.
- Providing the owner/customer with a signed copy of the application.
- Submitting the title application and required fees to the ADOR within ten (10) calendar days ([Code of Alabama, 1975 §32-8-35](#)). The vehicle must be registered within 20 days so that the title application will serve as the permit for operation of the vehicle until registered ([§32-8-38](#)).
- Following-up on rejected applications immediately to ensure the certificates of title are properly issued to the applicant.
- **DEALERS ONLY:** Maintaining original records for at least one year and electronic records for 5 years of every vehicle bought, sold, and exchanged for at least one year which must, include inventory records (per [Administrative Rule 810-5-75-.42](#)).



Things to Remember

- If you sell a vehicle, you are required to complete the paperwork. You are also responsible for all applications completed with your dealer license or myDMV account.
- You **SHOULD NOT** complete title application in myDMV for another dealer or an unlicensed individual/dealer while signed in with your myDMV account.
- [Administrative Rule 810-5-75-.36](#) provides that dealers are prohibited from processing title applications on behalf of another dealer unless both dealerships are owned by the same entity.
- Administrative Rule 810-5-75-.60(6) provides that the department may revoke the authority of a designated agent or title service provider if the designated agent or title service provider fails to faithfully perform the duties under Chapter 8 or Chapter 20 of Title 32 of the Code of Ala. 1975.



Title Application Assembly

- A complete title application packet includes supporting materials, and these must be submitted in the following order:
 1. The signed and dated Title Application
 2. The manufacturer's certificate of origin OR certificate of title properly assigned to the owner
 3. Other supporting documents: reassignment forms, bills of sale, and power-of-attorney
- Helpful Tips for Completing Your Application:
 - Only designated agents can submit the title application package electronically through myDMV.
 - The name of the owner(s) used on the title application must be the current legal name of the owner(s) of the motor vehicle for which a certificate of title is requested as provided by [§32-8-35](#) and [§32-8-39](#), Code of Alabama, 1975
 - As of November 1, 2021, all Designated Agents are required to upload the title application packets into myDMV. Paper applications will no longer be accepted after this date.



Application Packet Submission Requirements

- Requirement 1:
 - In order to upload documents, designated agents and title service providers must comply with Motor Vehicle Division [Administrative Rule 810-5-75-.42](#), which requires designated agents and title service providers to write or stamp the word “SURRENDERED” on the face of the title document.
- Requirement 2:
 - The original title documents must be maintained by the designated agent or title service provider for one (1) year and then electronically for an additional four (4) years.
- Warning:
 - Failure to comply with these requirements may result in the revocation of the authority to act as a designated agent or title service provider.



Publicly Accessible Title Applications

- Replacement Title:
 - Applicants should apply for this type of title online by using the Public Title Portal when an existing Alabama title has been lost, stolen, or mutilated.
- Lien Filing or Transfer:
 - To add a lien, continue a lien, or transfer a lien, the recorded lienholder can apply online by using the Public Title Portal.
- Vehicle owners or lienholders can visit the Public Title Portal to do any of the following:
 - Apply for a replacement title
 - Apply online to add, continue, or transfer a lien on an Alabama title
 - Check the status of a title application (must know the application number and VIN)
 - Update an undeliverable address (must know the application number and VIN)



Legalities

- In accordance with the Code of Alabama, 1975 [§32-8-6](#) and [§32-20-4](#), the charge to a dealer for a title application is \$15.00 (\$20.00 for a manufactured home).
- In accordance with the Code of Alabama, 1975 [§32-8-6](#) (b) The designated agents shall add the sum of one dollar fifty cents (\$1.50) for each transaction, as specified in subsection (a), processed for which this fee is charged to be retained as the agent's commission for services rendered, and all other fees collected shall be remitted to the department in a manner prescribed by the department.
- Code of Alabama, 1975 [§32-8-7](#) states, in part, that county licensing officials may charge up to \$18.00. However, a dealer cannot charge more than \$16.50 for a title application fee. Charging more than \$16.50 for a title application is a violation of the Code of Alabama, 1975 §32-8-7. Violations of §32-8 are considered misdemeanors or felonies and can result in fines, penalties, and/or the revocation of your dealer license.
- A dealer is required to maintain blanket liability insurance and a bond. A designated agent is required to maintain a bond (the dealer bond will satisfy the requirement for a designated agent bond).



Legalities Continued

- If a licensee fails to maintain blanket liability insurance and bond coverage and the insurance or bond is canceled for any reason, the dealer license and Designated Agent authority (access to MyDMV) will be revoked immediately, as provided by Code of Alabama, 1975 [§40-12-396](#).

i *It is important to note that if you change bond or insurance companies or make any adjustments to the insurance or bond, you should upload the updated documents to your account on the dealer license portal. If you are not a dealer, you should report any changes to your bond or insurance to the Motor Vehicle Division to prevent revocation of your license/designated agent status.*



Bill of Sale

- What are the minimum requirements for a bill of sale?
 - As prescribed by Code of Alabama, 1975 [§40-23-104](#), and [Administrative Rule 810-5-1-.246](#), in order for License Plate Issuing Officials and law enforcement to determine if a bill of sale, invoice, or other sales document is valid, it must contain the following 9 items:
 1. Name of purchaser(s)
 2. The complete physical address of the purchaser(s)
 3. Date of sale or acquisition (month, day, year)
 4. Complete vehicle description: VIN, make, year, model or series number, body type
 5. Name(s) of seller(s), including DBA (doing business as) names
 6. Complete address of seller(s)
 7. If the seller is a licensed retail dealer, the following language must be included on the Bill of Sale or other sales document: “Penalty of fifteen dollars (\$15) due if vehicle is not registered in the name of the new owner within 20 calendar days” as required by Code of Alabama, 1975 [§40-12-260](#).
 8. Signature(s) of seller(s) and purchaser(s) or authorized representative of seller(s) and purchaser(s)
 9. A licensed dealer must include the purchase price upon which any state, county, or municipal sales tax was paid and the amount and rate of sales or gross receipts tax collected at the time of purchase for the state, municipality, and county where the sale was made, as provided by Code of Alabama, 1975 [§40-23-104](#)



Bill of Sale Examples

BILL OF SALE DATE: 10/11/2021 STOCK #: 004516

BUYER INFORMATION: John Doe 123 Main St Montgomery, AL 36117 334-242-9000 STATE: AL EXP. DATE: 9/16/23 D.O.B.: 09/16/96		SELLER INFORMATION: ALDOR MOTOR COMPANY 2545 TAYLOR ROAD MONTGOMERY, AL 36117 334-242-9000 Dealer #: 01-23456-78 SALESPERSON: JANE	
VEHICLE INFORMATION: YEAR: 2017 COLOR: WHITE VIN: YV4103K3H1251873 STOCK: 004516 MAKE: VOLVO COLC STYLE: TS CYL: 4 MODEL: XC50 BODY: 4DR MILEAGE: 53981 TRANS: AUTO			
TRADE-IN INFORMATION: YEAR: 2013 COLOR: BLUE MAKE: HYUNDAI MILEAGE: 98015 MODEL: SONATA BODY: 4DR VIN: 5NPED4AC2DH776641 BALANCE OWED TO: BALANCE OWED: \$ 0.00 GOOD THROUGH: ALLOWANCE: \$ 10,000.00 QUOTED BY:		SETTLEMENT VEHICLE PRICE 31,995.00 Less Trade Allowance: 10,000.00 N/A SUBTOTAL 21,995.00 State Tax: 2,000 % 439.90 County Tax: 0.250 % 54.99 City Tax: 1.000 % 219.95 Tax Rate 4: 0.000 % 0.00 TOTAL SALES TAX 714.84 Tag and Title Fee: 16.50 Payoff on Trade-in: N/A PAYMENT BOOK: 5.00 TOTAL DUE 22,731.34	
INSURANCE INFORMATION: ES:SWANT AGENT: BODY: 4DR PHONE: POLICY #:		LIEN HOLDER INFORMATION: COMPANY: ALABAMA STATE EMPLOYEE CREDIT UNION STREET: 205 TAYLOR RD CITY, STATE, ZIP: MONTGOMERY, AL 36117	
REMARKS: JASON/DM			
NOTICE: Penalty of fifteen dollars (\$15) due if vehicle is not registered in the name of the new owner within 20 calendar days.			
WARRANTY DISCLAIMER: Unless Seller provides a written warranty, or enters into a service contract within 30 days from the date of this contract, this vehicle is being sold "AS IS - WITH ALL FAULTS" and Seller makes no warranties, express or implied, on the vehicle, and there will be no implied warranties of merchantability or of fitness for a particular purpose. This disclaimer does not affect any warranties by the vehicle manufacturer. Seller neither assumes nor authorizes any other person to assume for it any liability in connection with the title of the vehicle and the related products and services.			
CONTRACTUAL DISCLOSURE STATEMENT (USED VEHICLES ONLY): The information you see on the window form for this vehicle is part of this contract. Information on the window form overrides any contrary provisions in the contract of sale. Spanish Translation: Quisiera para constancia de vehiculos usados. La informacion que ve en el formulario de la ventanilla para este vehiculo forma parte del presente contrato. La informacion del formulario de la ventanilla de la venta sin efecto de disposicion en contrato contenida en el contrato de venta. Buyer hereby declares that they are of legal age to transact business and that no unfair inducement has been made by Seller. This agreement and the related documents that Buyer signs contemporaneously with this agreement, including any retail installment contract, contain the entire agreement between Buyer and Seller and cancels and supercedes any prior agreement including oral agreements relating to the sale of the motor vehicle.			
X _____ 10/11/21 Accepted by Authorized Representative of Seller Date		X _____ 10/11/21 Buyer Date	
_____ N/A Co-Buyer Date			

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Bill of Sale

Date of Sale June 8, 2021

Purchase Price \$2,000

VEHICLE INFORMATION

Year: 2004 Make: VOLVO

Model: S60 2.5T VIN: UB2TA48B053319874

Body Type: 4 Door Sedan Odometer Reading: 213,231
(Odometer reading is actual mileage)

The undersigned buyer accepts this Bill of Sale and understands that the above vehicle is sold in "as is" condition with no guarantees or warranties, either expressed or implied, for the vehicle.

Buyer's Name: Jane Doe

Buyer's Address: 123 Main St Montgomery, AL 36117

Buyer's Signature: Jane Doe

Seller's Name: John Doe

Seller's Address: 2545 Taylor Rd Montgomery, AL 36117

Seller's Signature: John Doe

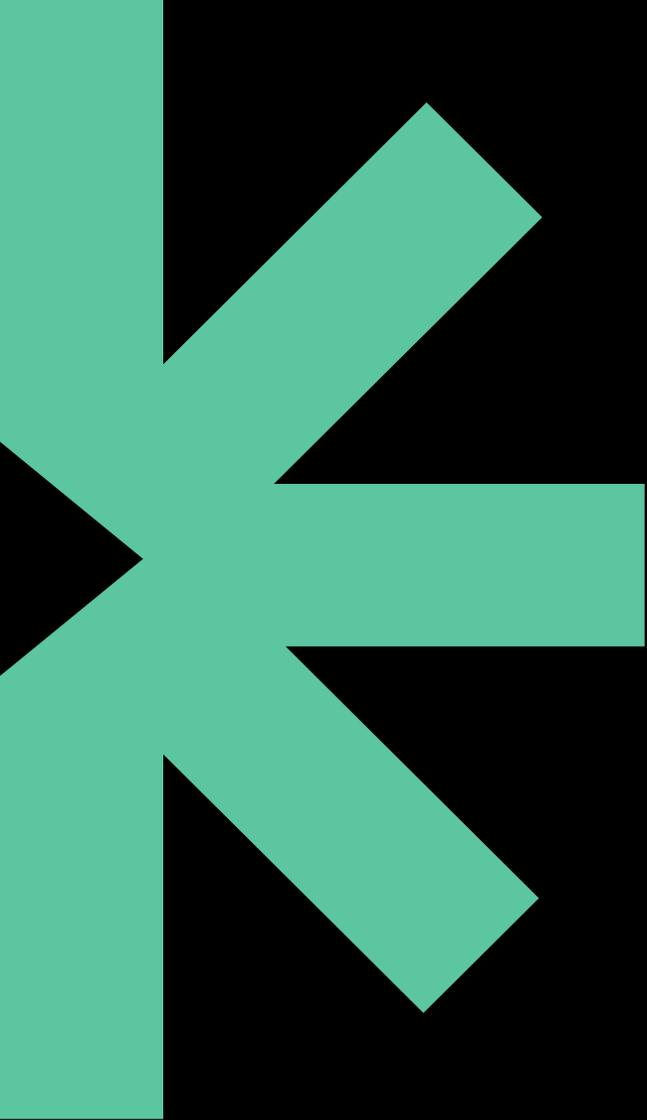


Driver's Protection Privacy Act (DPPA)

- The Federal Driver's Privacy Protection Act (DPPA) was enacted by Congress to protect the interest of individuals and their privacy by prohibiting the disclosure and use of personal information contained in motor vehicle registration records, except as authorized by such individuals or law.
- Personal information is defined as information that identifies a person, including an individual's social security number, name, address, telephone number, and medical or disability information.
- A person who knowingly obtains, discloses, or uses personal information from a motor vehicle record, for a purpose not permitted under the **DPPA shall be liable** to the individual to whom the information pertains, who may bring a civil action in a United States district court. In addition, a person in violation of the DPPA Act is subject to criminal penalties as provided by [Title 18, U.S Code, §2723](#)

[DPPA ACT](#)





Titles, Fraud Detection, & Remediation

Module 2

What is Manufacturer's Statement of Origin (MSO)

The Manufacturer's Statement of Origin (MSO) is also known as the Manufacturer's Statement Certificate of Origin (MCO). These certificates are issued by the manufacturer and detail information about the vehicle, including where the vehicle was manufactured



Manufacturer's Statement of Origin Security Features

- In an effort to prevent counterfeiting, all Certificates of Origin should contain the following 9 security features:
 1. **Sensitized Security Paper or Non-Optical Brightener Paper:** The use of either paper that is reactive to chemicals commonly used to alter documents or paper without added optical brighteners that will not fluoresce under ultraviolet light is required.
 2. **Engraved Border:** This is a border produced from engraved artwork that appears on the front of the document.
 3. **Prismatic/Rainbow Printing:** This type of printing is used as a deterrent to color copying. A Copy Void Pantograph, where the word "void" appears when the document is copied may be present in lieu of or in addition to prismatic printing.
 4. **Complex Colors:** These are colors developed by using a mixture of two or more of the primary colors (red, yellow, or blue) and black, if required.
 5. **Erasable Fluorescent Background Inks:** These types of inks fluoresce under ultraviolet light and react to any attempt to erase in such a manner as to be immediately detectable.
 6. **Background Security Design:** This is marked by a repetitious design, consisting of a pattern, that hinders counterfeiting efforts.
 7. **Microline:** This appears as a line of small alpha characters in capital letters that requires a magnifying glass to read.
 8. **Consecutive Numbering:** Documents that contain a number are consecutively numbered for control purposes.
 9. **Security Thread and/or Intaglio Printing:** A thread may appear with or without watermark and the intaglio may or may not be accompanied by a latent image.



MSOs & MCOs Examples

- Because MCOs vary by manufacturer, remember that they may have various security features in many combinations. Manufacturers may choose to use the following types of security features:
- **Safety Blocks** - An area that uses enhanced features to prevent alteration, such as tints that indicate chemical or mechanical alterations. Areas such as the odometer box may have erasure-sensitive tints.
- **Watermarks** - A translucent design impressed on paper during manufacture and visible when the paper is held to the light.
- **Microprinting** - An anti-counterfeiting technique in which very small text is added to the artwork. It is difficult or impossible to read with the naked eye. This also makes it difficult to reproduce accurately using copiers or scanners.
- **Planchettes** - A visual effect added to security paper as an anti-counterfeiting measure
- **Security Fibers** - Both visible and non-visible fibers are embedded and randomly distributed throughout the paper during the manufacturing process.

CERTIFICATE OF ORIGIN FOR A VEHICLE

 **POLARIS**
INDUSTRIES INC.

DATE			INVOICE NO.
VEHICLE IDENTIFICATION NO.	MODEL YEAR	MAKE	
BODY TYPE	LENGTH	SHIPPING WEIGHT	
H.P.(S.A.E.)	G.V.W.R.	NO.CYLS.	SERIES OR MODEL
ENGINE SIZE	ENGINE SERIAL NO.	ENGINE MODEL	

THIS ATV IS INTENDED FOR OFF-ROAD USE ONLY.

I, the undersigned authorized representative of the company, firm or corporation named below, hereby certify that the new vehicle described above is the property of the said company, firm or corporation and is transferred on the above date and under the Invoice Number indicated to the following distributor or dealer.

NAME OF DISTRIBUTOR, DEALER, ETC.

It is further certified that this was the first transfer of such new vehicle in ordinary trade and commerce.

POLARIS INDUSTRIES INC.

BY: _____ (AGENT)
(SIGNATURE OF AUTHORIZED REPRESENTATIVE)

CITY-STATE _____

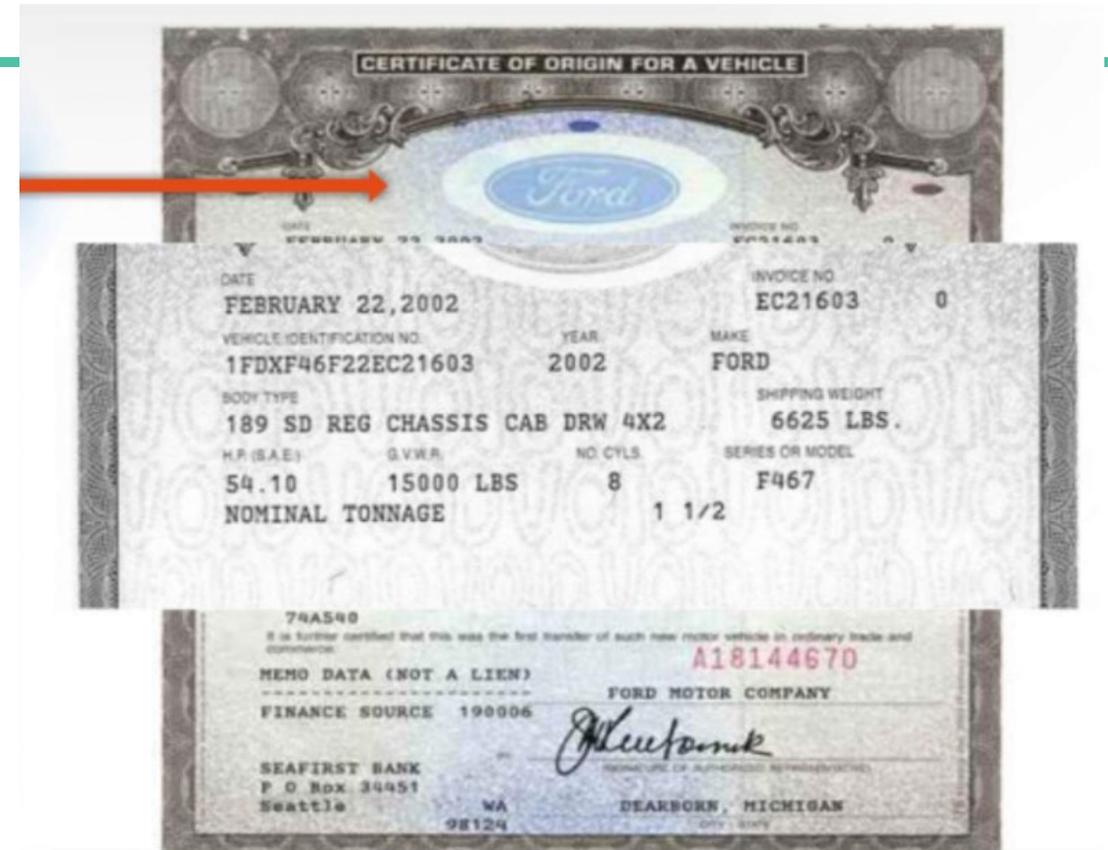
SAMPLE



MSOs & MCOs Examples

Rainbow Printing Security Features

- This is an example of how manufacturers may use the rainbow printing security features on a certificate of origin for a vehicle.



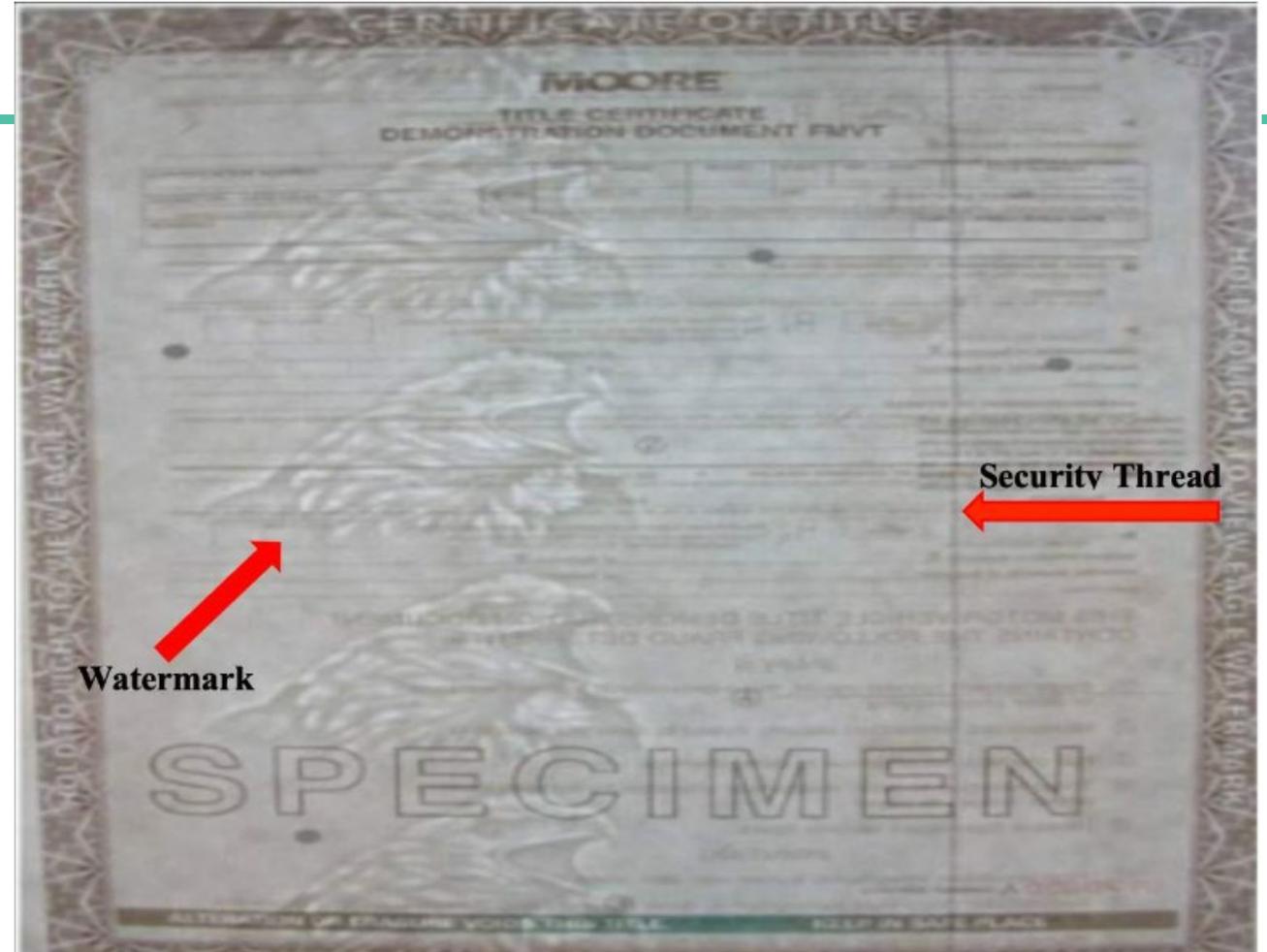
Vehicle Title Security Features

- The Alabama Motor Vehicle Certificate of Title contains features that make it a secure document. The security measures incorporated into Alabama's title provide the state's title with the highest level of protection, which deters attempts at counterfeiting. All titles issued by the Alabama Department of Revenue contain paper and print security features.
- **A title typically contains pre-printed and variable-printed text to display:**
 - Vehicle information
 - Owner information
 - Lienholder information
 - Transfer of ownership- this area is often on the reverse side and must be completed and signed by the owner/seller. The buyer's information is typically handwritten in the spaces provided.
 - Mileage/odometer information- mileage information is often contained on the vehicle title but can also appear in a separate Odometer Disclosure Statement.



Watermarks for Security

- A **watermark** is an identifying image or pattern in paper that appears as various shades of lightness/darkness when viewed by transmitted light, caused by thickness or density variations in the paper. Watermarks are used on government documents to discourage counterfeiting.



Security Features

- Because security features may vary by jurisdiction, remember to look for other features that may have been disturbed, damaged, or poorly counterfeited including:
 - **Safety Blocks** - An area that uses enhanced features to prevent alteration, such as tints that indicate chemical or mechanical alterations. Areas such as the odometer box may have erasure-sensitive tints.
 - **Pantographs** - In security printing, a method of making a tamper-resistant pattern in the background of a document. Normally, these are invisible to the eye but become obvious when the document is photocopied. Typically, they spell out “void”, “invalid”, or some other message.
 - **Seals** - A tamper-evident feature to prove the authenticity of the document or signatures.
 - **Security Fibers** - Both visible and non-visible fibers are embedded and randomly distributed throughout the paper during the manufacturing process.
 - **Prismatic Print** - Rainbow printing used as a deterrent to color copying.
 - **Sensitized Security Paper** - Paper that is reactive to chemicals commonly used to alter documents.



Tribal Nation Titles Security Features

Tribal Nation Titles

Tribal Nations may also issue original vehicle titles. Like those from other jurisdictions, these titles vary among issuers. Look for the appropriate information, signatures, secure paper, and security features previously mentioned in this course.

CERTIFICATE OF TITLE TO A MOTOR VEHICLE
White Earth Nation of Ojibwe Indians

VEHICLE IDENTIFICATION NUMBER: [REDACTED] MAKE: [REDACTED] YEAR: [REDACTED] VIN: [REDACTED]

REGISTRATION: [REDACTED] TAXES: [REDACTED] FEES: [REDACTED]

OWNER: [REDACTED]

ISSUED BY: [REDACTED]

THIS TITLE IS FORTH FACING PROOF OF OWNERSHIP
KEEP IN SAFE PLACE

APPLICATION FOR TITLE AND REGISTRATION BY BUYER (CONTINUED)

VEHICLE NUMBER: **114167**

TO DETERMINE NET THE AMOUNT OF PERCENTAGE CONTACT A DEPUTY REGISTRAR NON-RESIDENTIAL WHITE EARTH BAND OF OJIBWE INDIANS

BUYER'S STATE SHALL BE DETERMINED BY A FALSE OR FALSIFIED STATEMENT OF PURCHASE PRICE BY ANY PERSON IS A GROSS MISDEMEANOR OR FELONY

1. FULL PURCHASE PRICE: _____
2. USED TAXES IN ALL STATES: _____
3. NET PURCHASE PRICE: _____
4. NET SALES TAX: _____
5. USED TAX PAID TO OTHER STATES: _____
NET GROSS SALES TAX: _____

VEHICLE MAKE: _____ MAKE YEAR: _____ MAKE MODEL: _____

VEHICLE TYPE: _____ IF MOBILE HOME, SERIAL NUMBER: _____

VEHICLE IDENTIFICATION NUMBER: _____ TOTAL TAX DUE: _____

VEHICLE IS BEING USED FOR: _____

1. NONE (TOTAL SALES TAXED VEHICLE)
2. PRIVATE
3. VEHICLE IS TRANSFERRED FROM
4. NOT SELF-PROPELLED

REASSURANCE BY A LICENSED DEALER

BUYER'S SIGNATURE: _____ DATE: _____

DEALER'S SIGNATURE: _____ DATE: _____

THIS DOCUMENT ISSUED BY THE CLERK OF THE TRIBAL COURT
BY: [REDACTED]
DATE: [REDACTED]
REGISTRATION AGREEMENT WITH THE GOVERNMENT OF THE PUBLIC SAFETY, UNDER THE



Knowledge Refresh

- Title Documents contain a number of security features that vary by jurisdiction.
- Remember to look for security features that may have been disturbed, damaged, or poorly counterfeited, including:
 - Safety Blocks, Pantographs, Seals, and Security Fibers
- All Certificates of Origin should contain the same **nine** security features.
 - Sensitized security paper or non-optical brightener paper, Engraved Border, Prismatic/Rainbow Printing, Complex Colors, Erasable fluorescent background inks, Background security design, Microline, consecutive numbering, security thread and/or intaglio printing.
- Tribal Nations can also issue original vehicle titles.





Title Application Basics

Module 3

Primary Documents Required to Submit a Title Application

- The list below includes examples of the primary supporting documents that will be covered in this lesson:
 - Manufacturer's Certificate (Statement) of Origin (MCO / MSO)
 - Alabama Certificate of Title
 - Foreign Title Documents – Out of state title documents
 - Vehicle registration –if the vehicle is not required to be titled
 - Military registration
 - The United States Government Certificate to Obtain Title to a Vehicle (SF97)
 - Court Order
 - Title Bond



The image shows a blue Alabama Certificate of Title for a vehicle. The form is titled "STATE OF ALABAMA DEPARTMENT OF REVENUE CERTIFICATE OF TITLE FOR A VEHICLE". It contains the following information:

TITLE NO.	VEHICLE IDENTIFICATION NUMBER	TRANS. CODE	DATE ISSUED
40034153	WDBHA28B3SP355769	01	03/23/2009
YR. MODEL	MAKE	MODEL	BODY TYPE
1995	MERZ	C280	4D
CYL. NEW USED DEMO	PURCHASE DATE	NO. LIENS	COLOR
08 XX	03/15/2009	1	RED
NAME(S) AND MAILING ADDRESS OF OWNER(S)			ODOMETER
DOE JOHN 123 ANY STREET ANY STATE			06606409
PRESENT ADDRESS IF DIFFERENT			EXEMPT
AL 00000			MAIL TO
ANY LIENHOLDER 456 ANY STREET ANY STATE			AL 00000
1ST LIENHOLDER'S NAME, ADDRESS AND LIEN DATE			RELEASE OF LIEN
ANY LIENHOLDER 456 ANY STREET ANY STATE			The holder of Lien on the vehicle described in this Certificate hereby states that the lien described in said Certificate of Title is released and discharged.
AL 00000			By _____ Signature of Authorized Agent
2ND LIENHOLDER'S NAME, ADDRESS AND LIEN DATE			Date _____
AL 00000			By _____ Signature of Authorized Agent
			Date _____
CONTROL NUMBER			35816402

KEEP IN A SAFE PLACE — ANY ALTERATION OR ERASURE VOIDS THIS TITLE



The Manufacturer's Certificate/Statement of Origin

- The Manufacturer's Certificate / Statement of Origins are issued by the manufacturer and detail information about the vehicle, including where the vehicle was manufactured.
 - The MSO can be thought of as the birth certificate to a vehicle.
 - The MSO is needed to certify extended warranties and protection packages through the finance office and to obtain the car's first title and registration from the DMV.



The Front & Back of an MSO

The Front of an MSO

The front of the Manufacturer's Statement of Origin contains detailed information important to the identity of a vehicle.

CERTIFICATE OF ORIGIN FOR A VEHICLE

Ford

DATE: MAY 24, 2021 INVOICE NO. RA59335 2
VEHICLE IDENTIFICATION NO. 3FMCR9D93MRA59335 YEAR 2021 MAKE FORD
BODY TYPE 105 BRONCO SPORT BADLANDS 4X4 SHIPPING WEIGHT 3609 LBS.
N.P.S.(A.E) 18.99 G.V.W.R. 4730 LBS NO. CYLS 4 SERIES OR MODEL R9DZ
NOMINAL TONNAGE 1/2

CERTIFIED FOR SALE IN CALIFORNIA
I, the undersigned authorized representative of the company, firm or corporation named below, hereby certify that the new vehicle described above is the property of the said company, firm or corporation and is transferred on the above date and under the invoice number indicated to the following distributor or dealer.

NAME OF DISTRIBUTOR, DEALER, ETC.
Hoffman Ford Sales, Inc.
5200 Jonestown Road
Harrisburg PA 17112

16D225
It is further certified that this was the first transfer of such new motor vehicle in ordinary trade and commerce.

MEMO DATA B54445847
FINANCE SOURCE 000001 FORD MOTOR COMPANY
BY Jonathan E. Ogden (AGENT)
Ford Motor Credit Co
P.O. Box 1732, Room
Dearborn MI DEARBORN, MICHIGAN
48121 CITY-STATE

HOOPER MV
SURRENDERED
JEREMY

The Back of an MSO

The back of the Manufacturer's Statement of Origin contains several assignments. An **assignment** is a section on the title document which provides the information necessary for legal transfer ownership of a vehicle.

Each undersigned section certifies to the best of his knowledge, information and belief under penalty of perjury that the vehicle is new and has not been registered in this or any other state as of the date of delivery and the vehicle is not subject to any security interests other than those described herein and is not subject to any other liens or encumbrances.

NAME OF PURCHASER: [REDACTED]
ADDRESS: [REDACTED]

Commonwealth of Pennsylvania - Notary Seal
Sabrina J. Glosfelder, Notary Public
Dauphin County
My commission expires May 18, 2023
Commission number 1059553

1. I certify to the best of my knowledge that the information reading is: No/Yes
DEALER: [REDACTED] DEALER'S LICENSE NUMBER: [REDACTED]
State of: [REDACTED] County of: [REDACTED]
USE WITH ADDITIONAL COPIES OF REQUIRED IN-TITLE DOCUMENTS

NAME OF PURCHASER: [REDACTED]
ADDRESS: [REDACTED]

1. I certify to the best of my knowledge that the information reading is: No/Yes
DEALER: [REDACTED] DEALER'S LICENSE NUMBER: [REDACTED]
State of: [REDACTED] County of: [REDACTED]
USE WITH ADDITIONAL COPIES OF REQUIRED IN-TITLE DOCUMENTS

NAME OF PURCHASER: [REDACTED]
ADDRESS: [REDACTED]

1. I certify to the best of my knowledge that the information reading is: No/Yes
DEALER: [REDACTED] DEALER'S LICENSE NUMBER: [REDACTED]
State of: [REDACTED] County of: [REDACTED]
USE WITH ADDITIONAL COPIES OF REQUIRED IN-TITLE DOCUMENTS

Signature of Seller: [REDACTED] Title of Seller: [REDACTED]
Printed Name of Seller: [REDACTED] State of Seller: [REDACTED]
Printed Name of Buyer: [REDACTED] State of Buyer: [REDACTED]

Company Name of Applicant: [REDACTED]
Address of Purchaser: [REDACTED]

Notary Seal: Sabrina J. Glosfelder, Notary Public, Dauphin County, My commission expires May 18, 2023, Commission number 1059553

CAPITAL ONE AUTO FINANCE
PO BOX 660068
SHILOH WILTO PA 19585



Alabama Certificate of Title and Requirements

- What is an Alabama Certificate of Title?
 - An Alabama Certificate of Title is a legal document that records the owner and identifying vehicle information with the state of Alabama.
 - Vehicles newer than 35 model years old are required to be registered in Alabama and have an Alabama Certificate of Title.

STATE OF ALABAMA DEPARTMENT OF REVENUE

CERTIFICATE OF TITLE FOR A VEHICLE

TITLE NO: 40034153
 VEHICLE IDENTIFICATION NUMBER: WDBHA28E3FP355769
 TRANS CODE: 01
 DATE ISSUED: 03/23/2009

VEHICLE MODEL: 1995
 MAKE: MERZ
 MODEL: C280
 COLOR: RED
 ODOMETER: EXEMPT

BUYER(S): DOR JOHN
 ADDRESS: 123 ANY STREET, ANY STATE, AL 00000

1ST LIENHOLDER(S) NAME, ADDRESS AND LIEN DATE: ANY LIENHOLDER, 456 ANY STREET, ANY STATE, AL 00000, 03/15/2009

CONTROL NUMBER: 35816402

FEDERAL and State Law requires that you state the mileage in connection with transfer of ownership. Failure to complete ODOMETER STATEMENT OR providing a FALSE STATEMENT may result in fines and/or imprisonment.

***** NOTICE: ANY ALTERATION OR ERASURE VOIDS THE ASSIGNMENT and all assignments that follow*****

• ASSIGNMENT OF TITLE BY REGISTERED OWNER (not valid unless completed in full)-I/we warrant this Title and certify that the vehicle described herein has been transferred on / / to the following:

Buyer(s) _____ Address _____

I certify to the best of my knowledge that the ODOMETER READING is the ACTUAL MILEAGE of the vehicle unless one of the following statements is checked:

▶ ODOMETER READING NO TENTHS CAUTION READ CAREFULLY BEFORE YOU CHECK A BLOCK 1. The mileage stated is in excess of its mechanical limits. 2. The odometer reading is not the Actual Mileage. **WARNING-ODOMETER DISCREPANCY**

SIGNATURE(S) of Buyer(s) of Seller(s)

PRINTED NAME(S) of Buyer(s) _____ of Seller(s) _____

LIENHOLDER TO BE RECORDED AND SHOWN ON NEW TITLE: (IF NONE, STATE "NONE") * * * * *

NAME OF 1st LIENHOLDER: _____

ADDRESS OF 1st LIENHOLDER: _____

• FIRST RE-ASSIGNMENT BY LICENSED DEALER • SELLING DEALER'S STATE Lic. No. _____

I/we warrant this Title and certify that the vehicle described herein has been transferred to the following:

Buyer(s) _____ Address _____

I certify to the best of my knowledge that the ODOMETER READING is the ACTUAL MILEAGE of the vehicle unless one of the following statements is checked:

▶ ODOMETER READING NO TENTHS CAUTION READ CAREFULLY BEFORE YOU CHECK A BLOCK 1. The mileage stated is in excess of its mechanical limits. 2. The odometer reading is not the Actual Mileage. **WARNING-ODOMETER DISCREPANCY**

SIGNATURE(S) of Buyer(s) of Seller(s)

PRINTED NAME(S) of Buyer(s) _____ of Seller(s) _____

LIENHOLDER TO BE RECORDED AND SHOWN ON NEW TITLE: (IF NONE, STATE "NONE") * * * * *

NAME OF 1st LIENHOLDER: _____

ADDRESS OF 1st LIENHOLDER: _____

• SECOND RE-ASSIGNMENT BY LICENSED DEALER • SELLING DEALER'S STATE Lic. No. _____

I/we warrant this Title and certify that the vehicle described herein has been transferred to the following:

Buyer(s) _____ Address _____

I certify to the best of my knowledge that the ODOMETER READING is the ACTUAL MILEAGE of the vehicle unless one of the following statements is checked:

▶ ODOMETER READING NO TENTHS CAUTION READ CAREFULLY BEFORE YOU CHECK A BLOCK 1. The mileage stated is in excess of its mechanical limits. 2. The odometer reading is not the Actual Mileage. **WARNING-ODOMETER DISCREPANCY**

SIGNATURE(S) of Buyer(s) of Seller(s)

PRINTED NAME(S) of Buyer(s) _____ of Seller(s) _____

LIENHOLDER TO BE RECORDED AND SHOWN ON NEW TITLE: (IF NONE, STATE "NONE") * * * * *

NAME OF 1st LIENHOLDER: _____

ADDRESS OF 1st LIENHOLDER: _____

• THIRD RE-ASSIGNMENT BY LICENSED DEALER • SELLING DEALER'S STATE Lic. No. _____

I/we warrant this Title and certify that the vehicle described herein has been transferred to the following:

Buyer(s) _____ Address _____

I certify to the best of my knowledge that the ODOMETER READING is the ACTUAL MILEAGE of the vehicle unless one of the following statements is checked:

▶ ODOMETER READING NO TENTHS CAUTION READ CAREFULLY BEFORE YOU CHECK A BLOCK 1. The mileage stated is in excess of its mechanical limits. 2. The odometer reading is not the Actual Mileage. **WARNING-ODOMETER DISCREPANCY**

SIGNATURE(S) of Buyer(s) of Seller(s)

PRINTED NAME(S) of Buyer(s) _____ of Seller(s) _____

LIENHOLDER TO BE RECORDED AND SHOWN ON NEW TITLE: (IF NONE, STATE "NONE") * * * * *

NAME OF 1st LIENHOLDER: _____

ADDRESS OF 1st LIENHOLDER: _____



Foreign Title Documents

- What is considered a Foreign Title Document?
 - A Foreign Title Document is an out-of-state title that is recorded in the database of another state. An out-of-state title can be transferred to the state of Alabama; however, until the title transfer occurs, all title transactions would have to be processed through the original state.



For Example:

The state of Georgia can only process a replacement for a Georgia title.



Out of State Title Examples

Mississippi Certificate of Title

- In this example, the Mississippi title reflects a brand of “Bonded Title” in the right corner. The state of Alabama does not accept a bonded title from another state, therefore, this vehicle would be required to undergo the surety bond process in Alabama.

CERTIFICATE OF TITLE
STATE OF MISSISSIPPI

VEHICLE IDENTIFICATION NUMBER: 1G4EZ13L3NJ406597
MAKE: BUICK YEAR: 1992 MODEL: RIV BODY: 4D TITLE NUMBER: 8509246-02
TITLE DATE: 11241999 DATE OF FIRST SALE: [REDACTED] VIN: [REDACTED] NEW/USED: 06 TYPE OF VEHICLE: X PASS ORIGINAL
OWNER: [REDACTED] ACTUAL MILEAGE: 108050
BONDED TITLE

1ST LIENHOLDER (OR OWNER IF NO LIEN) MO | DATE | YR
2ND LIENHOLDER MO | DATE | YR

LIEN SATISFACTION —
THE UNDERSIGNED HOLDER OF ABOVE DESCRIBED LIEN(S) ON THE MOTOR VEHICLE DESCRIBED HEREON HEREBY ACKNOWLEDGES SATISFACTION THEREOF.

1ST LIEN: _____ (LIENHOLDER) BY _____ (SIGNATURE AND TITLE)
THIS _____ DAY OF _____
2ND LIEN: _____ (LIENHOLDER) BY _____ (SIGNATURE AND TITLE)
THIS _____ DAY OF _____

IN WITNESS WHEREOF I HAVE HERETO SET MY HAND THIS
03 DAY OF DECEMBER 1999
99323450012 00006 STATE TAX COMMISSION
[Signature] CHAIRMAN

CONTROL NUMBER: 109230

VOID IF ALTERED



Out of State Title Examples

Florida Certificate of Title

- The first assignment for transfer on a Florida Certificate of title is presented on the face of the title.
- With an Alabama Certificate of Title, the odometer certification box is not checked for actual mileage, whereas on the Florida Certificate of Title, the box is checked for actual mileage. Pay close attention as marking the odometer certification box incorrectly could lead to an odometer discrepancy brand on the face of the title.

CERTIFICATE OF TITLE

Identification Number: Year: State: Body: VIN-L-SEP: Vessel Length: No.: Vase Number: Lien Release: Interest in the described vehicle is hereby released.

Prev State: Color: Primary Brand: Secondary Brand: No. of Brands: Lien: Prev Issue Date: By: Title: Date:

MS WHI FORD 4D PRIVATE

Odometer Status or Vessel Manufacturer or OH use: Hull Material: Prop: Date of Issue:

Registered Owner:

1st Lienholder: NONE

DIVISION OF MOTOR VEHICLES TALLAHASSEE FLORIDA DEPARTMENT OF HIGHWAY SAFETY AND MOTOR VEHICLES

Control Number 095630306

Carl A. Ford Director Electro West Executive Director

TRANSFER OF TITLE BY SELLER (This section must be completed at the time of sale.)

Seller Must Enter Purchaser's Name: Address: Seller Must Enter Date Sold:

Seller Must Enter Selling Price: and I hereby certify that the odometer reading is correct and true.

I We state that this 5 or 6 digit odometer now reads 123456789 (no text) miles, date read: and I hereby certify that the odometer reading is correct and true.

1. reflects ACTUAL MILEAGE. 2. is IN EXCESS OF ITS MECHANICAL LIMITS. 3. is NOT THE ACTUAL MILEAGE.

UNDER PENALTIES OF PERJURY, I DECLARE THAT I HAVE READ THE FOREGOING DOCUMENT AND THAT THE FACTS STATED IN IT ARE TRUE.

SELLER Must Sign Here: CO-SELLER Must Sign Here:

From Here: From Here: Tax Collected:

Selling Dealer's License/Number: Tax No.: License Number:

PURCHASER Must Sign Here: CO-PURCHASER Must Sign Here:

From Here: From Here:

NOTICE: \$10.00 PENALTY IS REQUIRED BY LAW IF NOT SUBMITTED FOR TRANSFER WITHIN 30 DAYS AFTER DATE OF PURCHASE

HSMV 82250 (REV. 04/08) STATE OF FLORIDA



Out of State Title Examples

08100411

STATE OF GEORGIA
Certificate of Title
STATE OF GEORGIA
THIS TITLE MUST BE TRANSFERRED IMMEDIATELY UPON CHANGE OF VEHICLE OWNERSHIP

VEHICLE IDENTIFICATION NUMBER JACDH58W9P7910102	MAKE ISUZU	YEAR 1993	TYPE OF BODY MULTI-PURPOSE	MODEL TROOPER	CYL 6	DATE ISSUED 11/01/1999	
DATE VEHICLE PUR. 02/23/1999	FUEL GASOLINE	NEW OR USED USED	ODOMETER* 080498	PREVIOUS TITLE NBR/STATE OF ISSUE 1404111773 NC	NBR OF LIENS 0	COLOR UNK	CURRENT TITLE NUMBER 609613993055907

OWNER

MAIL TO

1ST LIEN OR SECURITY INTEREST

2ND LIEN OR SECURITY INTEREST

3RD LIEN OR SECURITY INTEREST

RELEASE OF LIEN OR SECURITY INTEREST

DATE OF RELEASE	SECURITY INTEREST HOLDER	AUTHORIZED AGENT
1ST LIEN		BY
2ND LIEN		BY
3RD LIEN		BY

0423546

00423546

Legends Appear Here

The Georgia Department of Revenue hereby certifies that on Application duly made the person named herein is registered by this Department as the legal owner of the vehicle described subject to the liens or security interests herein set forth and such liens or security interests as may subsequently be filed with the Commissioner. This Certificate of Title is issued pursuant to the Motor Vehicle Certificate of Title Act and is subject to the provisions thereof.

STATE REVENUE COMMISSIONER

Georgia Certificate of Title

STATE OF TENNESSEE
VERIFY THE AUTHENTICITY OF THIS MULTI-TONE DOCUMENT. BACKGROUND AREA CHANGES COLOR GRADUALLY FROM TOP TO BOTTOM.
CERTIFICATE OF TITLE

VEHICLE IDENTIFICATION NUMBER 1HGCG6550YA022586	YEAR 2000	MAKE HOND	MODEL ULX	BODY TYPE 4D	TITLE NUMBER 87129970
NEW USED DEMO S0715060	PREVIOUS TITLE NO TN	PREV STATE TN	SALES OR USE TAX 71	CO 71	ODOMETER
PREV OTHER TITLE ST: DATE TITLE ISSUED DATE VEHICLE ACQUIRED	TN 09-09-2010 08-24-2010	REMARKS REBUILT VEHICLE, ANTI- THEFT INSPECTION PASSED			

C1208764

BAXTER TN 38544

SATISFACTORY PROOF OF OWNERSHIP HAVING BEEN SUBMITTED UNDER TENNESSEE CODE ANNOTATED, §§-9-101, TITLE TO THE MOTOR VEHICLE DESCRIBED ABOVE IS VESTED IN THE OWNER'S NAME HEREIN. THIS OFFICIAL CERTIFICATION OF TITLE IS ISSUED FOR SAID MOTOR VEHICLE.

1HGCG6550YA022586

87129970

11043677

11043677

STATE OF TENNESSEE

Tennessee Certificate of Title



Out of State Title Examples

Arkansas Certificate of Title

The brand reflected on the left side face of the title is “previous damage.” If you are uncertain of the meaning of a brand, you should contact that jurisdiction.

CERTIFICATE OF TITLE
STATE OF ARKANSAS 27183342

VEHICLE IDENTIFICATION NUMBER: 1B7HC1KZ1SS265815
YEAR: 75 MAKE: DODG BODY: 150 PK AL PREVIOUS TITLE NUMBER: TITLE NUMBER:
REMARKS: 00 ACTUAL ODOMETER: 101-252 SALE DATE: 07/20/2000 UNLADEN WEIGHT: 4000
MAILING ADDRESS:
N & W MOTORS
833 OAK ST
CONWAY AR 72032

PREVIOUS DAMAGE

OWNER:
N & W MOTORS
833 OAK ST
CONWAY AR 72032

OWNER'S SIGNATURE (IF JOINT OWNERSHIP, BOTH MUST SIGN)
THIS TITLE MUST BE SIGNED UPON RECEIPT BY OWNER(S)

FIRST LIENHOLDER	DATE OF LIEN	FIRST RELEASE	INTEREST IN THE ABOVE DESCRIBED VEHICLE IS HEREBY RELEASED BY: _____ TITLE DATE
SECOND LIENHOLDER		SECOND RELEASE	INTEREST IN THE ABOVE DESCRIBED VEHICLE IS HEREBY RELEASED BY: _____ TITLE DATE

The Department of Finance and Administration, State of Arkansas, hereby certifies that applicant named herein is duly registered as the owner of the vehicle described above. From the statements of the owner and the records on file with this department the herein described vehicle is subject to the liens enumerated herein.

In Witness Whereof, I have affixed my hand and seal.

Timothy J. Leather

VOID IF ALTERED



The United States Government Certificate to Obtain Title to a Vehicle (SF97)

- Government vehicles are exempt from titling requirements; however, if a government vehicle is sold to an individual, the vehicle is required to be titled.
- The form that government agencies must use to obtain a title for a government vehicle.

045 20-039



The United States Government

Certificate to Obtain Title to a Vehicle

(Must Be Machine Prepared. See Instructions on reverse.) Duplicate if Checked

The undersigned Department or Agency of the United States Government certifies that the vehicle described herein, the property of the United States Government, has been transferred this 26 day of OCTOBER 19 99, to the Transferee designated herein; and that this is the first transfer of such vehicle in ordinary trade and commerce subsequent to acquisition thereof by the United States Government.

Vehicle Identification No. 1HVBZML3LH225005		Certificate No. 4ZFP00507 0121	
Year 1990	Make of Vehicle MAYNE	Series or Model NAVISTAR 3	Body Style
Fuel DIESEL	No. of Cylinders 06	Weight (Shipping)	GVM Purchase Price 9,000.00

Transferor (Name of office, department or agency, suburb and address, ZIP Code) GSA - MEMPHIS FIELD OFFICE 7881 KEARSAGE AVE. MILLINGTON, TN 38054	Transferee (Name of dealer, individual, etc. and address including ZIP Code) # 200160 STATE OF ALABAMA 4401 NORTHEASTERN BYPASS MONTGOMERY, AL 36121
---	--

Odometer Disclosure Statement	Date of Statement 10/26/1999
--------------------------------------	---------------------------------

Federal Law (and State law, if applicable) requires that you state the mileage upon transfer of ownership; failure to complete or providing a false statement may result in fines and/or imprisonment.

I, GSA - MEMPHIS FIELD OFFICE state that
 the odometer now reads 050364 miles and to the
 best of my knowledge that it reflects the actual mileage of the vehicle described above, unless one of the following statements is checked.

(1) I hereby certify that to the best of my knowledge the odometer reading reflects the amount of mileage in excess of its mechanical limits.

(2) I hereby certify that the odometer reading is not the actual mileage:
WARNING - ODOMETER DISCREPANCY.

Transferor's Signature (Seller) <i>[Signature]</i>	Printed Name (last, first and Title) <i>[Signature]</i>	Date 10/26/1999
Transferor's Signature (Buyer) <i>[Signature]</i>	Printed Name (last, first and Title) <i>[Signature]</i>	Date 10/26/1999

8094915 BIDDING FORM SF 4-911
Revised by GSA FPMR at 41 CFR 101-11.303-3
Replaces SF Form 301 (rev. 10/90) and SF Form 301-108

**ANY ALTERATION OR ERASURE
VOIDS THIS CERTIFICATE**



Court Order

- A court order is an official proclamation by a judge (or panel of judges) that defines the legal relationships between the parties to a hearing, a trial, an appeal, or other court proceedings. Such a ruling requires or authorizes certain steps by one or more parties to a case.
- Title Procedures states: A court order must be certified by the Clerk of Court or the Judge. (The Electronically Filed label is also acceptable as certification).



Court Orders Continued

A title can be issued with a court order. The most common court order is a divorce decree. When a court order is presented, it must contain four essential elements:

1. The case number
2. The Clerk of Court's or Judge's signature
3. Identify who the vehicle ownership is being awarded or given authority to sell the vehicle.
4. The full VIN on the order must clearly state/describe the vehicle that is being awarded.

IN THE MAGISTRATE COURT OF FULTON COUNTY
STATE OF GEORGIA

Plaintiff
VS.
Defendant

CIVIL ACTION FILE NO. 99VF0111329

ORDER

DEPUTY CLERK STATE COURT
FULTON COUNTY, GA

This case having come on regularly to be heard before this Court, and the Defendant having failed to answer within the time provided by law.

IT IS HEREBY ORDERED AND ADJUDGED that foreclosure of lien on 85 CHEV [REDACTED]

be conclusively established for the full amount sought in Plaintiff's affidavit, in accordance with O.C.G.A. §§ 40-11-1, et seq., governing abandoned vehicles; that foreclosure thereof be allowed through public sale, as defined in O.C.G.A. §§ 40-11-1, et seq., that the vehicle be sold free and clear of any and all liens and encumbrances, and that remaining proceeds, after satisfaction of lien and cost, be turned over to the Clerk of the Magistrate Court of Fulton County, within thirty (30) days from date of sale, along with a copy of the Bill of Sale on each vehicle.

SO ORDERED, this 09 day of NOVEMBER, 19 99

Certification of Copy
This document, consisting of 1 page, is hereby certified to be a true copy of an original order on file in the State Court of Fulton County, Georgia, in which subject case hereto set on record, and after the sale of the State Court of Fulton County, Georgia, on Dec. 15, 1999.

Barbara A. Bishop
Notary Public
Fulton County, Georgia

Signed [Signature]
Notary

BILL OF SALE ----AUTOMOBILE
STATE OF GEORGIA, COUNTY OF FULTON
CASE NUMBER 99VF111329
Y 21

Known all men by these presents, that in consideration of Sale Price \$ 22500 Tax \$ [REDACTED] Total Amount \$ 22500
The receipt of which is hereby acknowledged, we do hereby grant, sell, transfer, and deliver unto [REDACTED] his heirs, executors, administrators, and assigns the following described vehicle: 85 Chev Blaz [REDACTED]
-----SOLD AS IS-----SOLD AS IS-----
To have and to hold the same forever; that it is free and clear of all encumbrances; and [REDACTED] has good right to sell vehicle under O.C.G.A. Title 40-11 Public Sale of Abandoned Vehicles.
NO WARRANTY is expressed or implied as to availability or ability to obtain title. All notifications have been sent and Certified Copy of Court Order is available at the State Court of Fulton County to obtain Tag and Title from county of residence.
In witness whereof, the said grantor has hereunto set his hand this 15th day of December, 1999.



Reporting Requirements & Involuntary Transfers

Reporting Requirements for a Court Order

- Code of Alabama 1975, [§32-8-46](#), requires a person or entity initiating an involuntary transfer by court order or operation of law to give notice of the action to the Department at least 35 calendar days prior to the date of the transfer. These laws were enacted to protect lienholders and provide them with sufficient notice of transfer of a vehicle for which they have an interest.

① Transfer of ownership by court order should be reported through the Department's Involuntary Transfer Portal



Title Brands

- Title branding is the use of a designation on a vehicle's title, registration, or permit documents to indicate a particular condition. In many jurisdictions, the designation is permanent. Typically, the vehicle has been “written off” or “totaled” due to a collision, fire, flood, or has been sold for scrap. This practice both deters auto theft and protects consumers.

① *Title branding laws, regulations, and brand terms/definitions vary by state/jurisdiction.*



Common Brands That May Appear on An Alabama Title

- **Lemon Law Brand-** This vehicle was returned to the manufacturer because it did not conform to its warranty.
- **Salvage-** A vehicle is determined to be salvaged when the damage to the vehicle is equal to or greater than 75% of its retail value. Salvage is discussed in a later course.
- **Specially Constructed-** A vehicle may be assembled from parts or by an assembly kit. An example of this is a “build your own replica” of an antique car.
- **Rebuilt Vehicle-** A vehicle that has been restored in this state to its operating condition which existed prior to the event which caused the salvage certificate of title to be issued.
- **Reconstructed Vehicle-** A vehicle that has been repurposed.
- **Flood Damage-** Flood damage occurs when an insurance company certifies water damage has caused the vehicle to be salvaged (the amount of water damage is 75% or more of the fair market value of the vehicle).
- **“This Title is Secured Under a Three (3) Year Surety Bond”**
- **“Previous Title is Electronic”-** An electronic title was issued to the lienholder and must be converted, by the lienholder, to a paper title for any further transactions.
- **“This Vehicle May Be Subject to an Undisclosed Lien”-** This legend can be removed from the title after four months.
- **Odometer Reading is in Kilometers-** The odometer reading should always be reported as miles. Vehicles brought in from outside the United States may have reported odometer readings in official documents as kilometers.
- **“This is a Replacement Certificate of Title and May be Subject to the Rights of a Person Under the Original Certificate.”-** All replacement certificates of titles are issued with this disclaimer.



Out of State Brands

- The state of Alabama does not accept bonded titles from other states. To apply for a title on the state of Alabama with an out-of-state title that a surety bond brand, the applicant must first apply for a title surety bond through the department's surety bond portal.



Undeliverable Address

- How is the Undeliverable Address flag used?
 - When a title is undeliverable or returned by the postal service, the title record will be marked as undeliverable. The undeliverable flag will not be reflected on the certificate of title but is recorded in the title record database.

① *The vehicle owner can update the address by visiting the Public Title Portal, or the designated agent can update the address in myDMV. To update the Public Title Portal address, the owner must have both the title application number and the VIN number of the vehicle. Once the address is corrected, the title will be mailed the following business day.*



Odometer Legends

- The Federal Truth in Mileage Act is a federal law that governs odometer disclosure. It is important to note that the Federal Truth in Mileage Act expanded odometer disclosure requirements effective January 1, 2021.
- **Odometer Reading is Actual Mileage**
 - The mileage has been recorded and certified as required by the Federal Truth in Mileage Act.
- **Exempt from Disclosure**
 - The mileage is not required to be certified as determined by the Federal Truth in Mileage Act.
- **Exceeds Mechanical Limits**
 - If an odometer has reached the highest number mechanically available, or "rolled over," the title will indicate "exceeds mechanical limits."
- **Odometer Discrepancy**
 - A title will reflect "odometer discrepancy" when the department has reason to believe that the odometer reading does not reflect the true mileage of the vehicle due to known previous recorded values for the vehicle.
- **Odometer Not Certified**
 - This legend would commonly be reflected on a title when the transaction did not involve a transfer, and therefore, the mileage is not required to be certified.
- **Inoperable Odometer**
 - Odometer certification reading is unavailable.



Bonded Titles

- When Does a Vehicle Require a Bonded Title?
 - A surety bond is necessary when the state does not have an accurate record of ownership or when a valid title does not exist. Therefore, the state does not have an accurate record of ownership. A bond is similar to an insurance policy for the state. If another person makes an ownership claim through the court system and is awarded the vehicle, the state will make a claim against the bond to pay for the judgment claim or award.
- ① Titles issued with a surety bond as the primary supporting document are secured under a three (3) year surety bond.



Common Reasons a Surety Bond Title is needed

- Skips in the Chain of Ownership
 - This occurs when the transfers on the back of the title are not in chronological order or are incomplete- if a buyer or seller is not reported in one of the assignments
 - A Dealership Closed
 - When dealerships close without completing the title paperwork a surety bonded title is necessary.
 - The Owner Never Received the Title
 - This occurs when the previous owner doesn't provide the new owner with the current certificate of title for the vehicle.
- ① If the Department is not satisfied as to the ownership of the vehicle or that there are no undisclosed security interests in it, the department may, as a condition of issuing a certificate of title, require the applicant to file with the Department a cash or surety bond (32-8-36 or 32-20-24).



Applying for an Alabama Certificate of Title Under Surety Bond

- To apply for an Alabama Certificate of Title, the applicant will apply using the public Surety Bond Portal on myDMV. Applicants must provide proof of ownership as part of the application process. Valid forms of proof are:
 1. Bill of Sale
 2. The invalid title
 3. Registration documents
 4. Insurance settlement.



Surety Bond Approval

- Upon approval of the Surety Bond Portal Application, the applicant will be provided a Certificate of Title Surety Bond Form (MVT 10-1) with a pre-determined amount. The amount of the bond is based on standardized amounts of vehicle values. The applicant must print the Certificate of Title Surety Bond Form (MVT 10-1) and have it completed by an insurance agent.
- The applicant must take their Certificate of Title Surety Bond (Form MVT 10-1) to an insurance company of their choice for completion. The insurance agent must complete the MVT 10-1 in detail, which includes the certificate of title surety bond number, the name of the surety company and the state of incorporation, the date of execution, signatures of both the owner (principal) and the insurance agent and issue a company seal directly on the form MVT 10-1. The insurance agent must also provide the applicant with a power of attorney to accompany the Certificate of Title Surety Bond.
- Lastly, the applicant must take the completed Certificate of Title Surety Bond (Form MVT-10) and the power of attorney provided to them by the insurance company, to any Designated Agent so they can apply for an Alabama Certificate of Title.



Criteria for Standardized Bond Amounts

- The charts below are available in the Surety Bond Portal and represent the standardized amounts, which are based on the vehicle's age and demonstrate how the bond amount are determined.
- Alabama uses standardized bond amounts that are determined using the VIN number. However, some states simply use fair market value to determine the amount of the bond. When applying for a bond, the system will print the bond with the appropriate bond amount.



Bound Amounts

Trailers & Motorcycles

Age	Bond Amount
Less than 5 model years old	\$25,000
5 model years old but less than 10 model years old	\$10,000
10 or more model years old	\$5,000

Trucks, Buses, and Recreational Vehicles

Age	Bond Amount
Less than 5 model years old	\$100,000
5 model years old but less than 10 model years old	\$50,000
10 or more model years old	\$25,000

Passenger Vehicles and Pickup Trucks

Age	Bond Amount
Less than 5 model years old	\$50,000
5 model years old but less than 10 model years old	\$25,000
10 or more model years old	\$10,000

Manufactured Homes

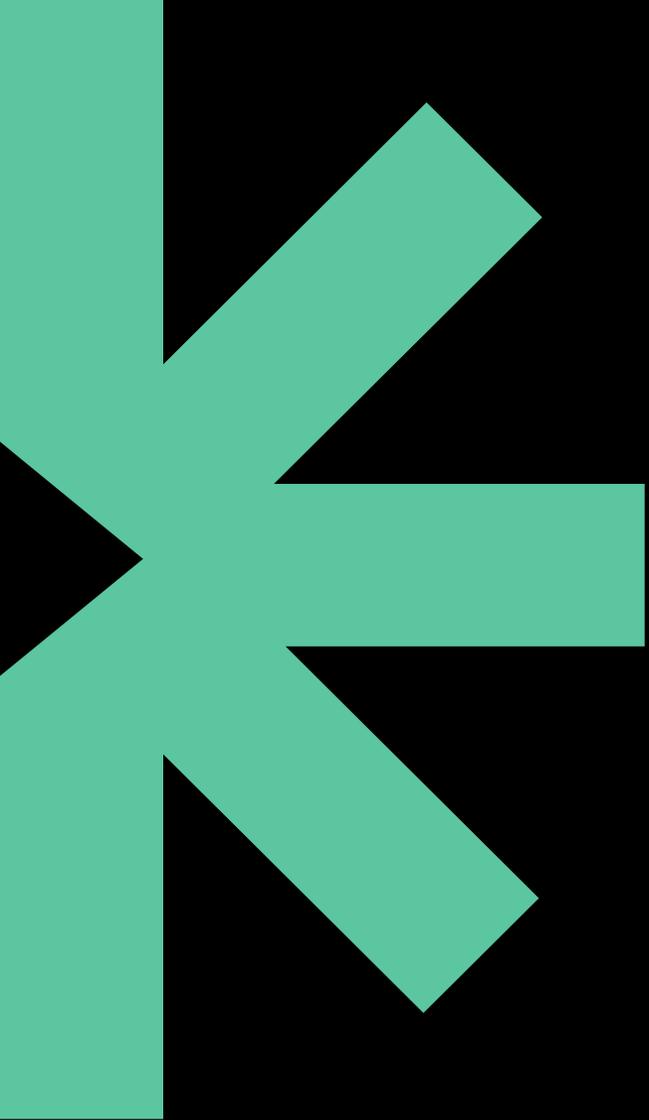
Age	Bond Amount
Less than 10 model years old	\$50,000
10 or more model years old	\$25,000



Bond Criteria

- [Administrative Rule 810-5-75-.34](#) provides that when the owner(s) of a vehicle deemed "salvage," applies for a certificate of title under a surety bond, the bond amount must be:
 - 25% of the bond amount for the vehicles less than ten (10) model years old.
 - 20% of the bond amount for the vehicles ten (10) or more model years old.





Title Assignments

Module 4

Federal Truth-In-Mileage Act

- The Truth in Mileage Act (TIMA) of 1986 is a federal law that requires the seller of a motor vehicle to provide an odometer disclosure to the buyer at the time of sale or transfer of ownership. It requires that the mileage registered on the odometer is accurately recorded and certified by 2 independent sources, such as the car's owner and a company representative. The buyer must sign in acknowledgment of the mileage disclosure given.
- TIMA is a federal law that also states the same person, or representatives of the same company cannot sign to certify mileage. The buyer (or a representative of the buyer) and the seller (or a representative of the seller) must sign in the title assignment or re-assignment to certify mileage.



-
- Effective January 1, 2021, the TIMA odometer disclosure requirements increased from 10 years to 20 years. Vehicles with a year model 2011 and forward are exempt after 20 years. Vehicles with a year model 2010 and older will remain exempted, but 2011 model vehicles will not be exempted until the year 2031.
 - Effective January 1, 2021, 2010-year model and older vehicles will continue to be exempt from mileage.
 - Effective January 1, 2021, 2011-year model and newer will still require odometer disclosure for 20 years.



Odometer Reading Disclosure Timeframes

- Model year 2010 and older vehicles will continue to be exempt from federal odometer disclosure requirements. However, sellers of model year 2011 and newer must continue to disclose odometer readings for 20 years.
- For example, sellers of model year 2011 vehicles must continue to disclose odometer readings until 2031.



Exemptions from the Truth and Mileage Act

- There are some vehicles that the Federal Truth-In-Mileage Act does not apply to:
 - Vehicles that are model year 2010 or older (applicable until 2031)
 - Vehicles with a gross weight of 16,000 lbs or greater such as tractors (18 wheelers), motorhomes, and some chassis and cab trucks.
- Beginning January 1, 2031:
 - Any vehicle that is 20 years or less will be considered exempt from the Federal Truth in Mileage Act. A 2011 model vehicle will not be exempt until 2031. The exemption begins on the first day of a calendar year.



Why Would a Title Application Be Rejected?

- The most common reason for a rejected title application is related to the Federal Truth-in-Mileage Act.
- When the owner of the vehicle appoints the dealer as their POA and a representative of the dealer signs as the seller (POA), and then a representative from the dealer signs on behalf of the dealership as the buyer.
- Two independent parties are required to certify mileage. The federal law does not allow the same person or two representatives of the same company to sign as both buyer and seller certifying the odometer reading in the title assignment.
- There are Exceptions to the Rule:
 - The Federal Truth-In-Mileage Act prohibits the same person or representative of the same company from signing the odometer disclosure. The exception applies when a secure POA is used (we will cover this process later in the course.)



Odometer Disclosure Statement

- An odometer disclosure statement is simply a declaration of a vehicle's mileage as indicated by its odometer reading at the time of transfer and discloses whether or not, it's an accurate odometer reading (i.e. Not Actual, Exceeds Mechanical Limits).
- On the back of an Alabama title, the title assignment has two boxes provided specifically for the odometer disclosure statement, if it is not ACTUAL MILEAGE. These boxes are located above the signature lines.

I certify to the best of my knowledge that the ODOMETER READING is the ACTUAL MILEAGE of the vehicle unless one of the following statements is checked:

ODOMETER READING: NO TENTHS

***CAUTION: READ CAREFULLY BEFORE YOU CHECK A BLOCK**

1. The mileage stated is in excess of its mechanical limits

2. The odometer reading is not the Actual Mileage - **WARNING-ODOMETER DISCREPANCY**

SIGNATURE(S): of Buyer(s)-X _____ of Seller(s)-X _____



Odometer Certification Requirements

- Vehicles must be a 2011 model or newer.
- The transferor of a non-exempt vehicle must disclose the odometer reading to the transferee at the time of transfer.
- The disclosure shall concern the accuracy of the mileage reflected on the odometer.
- The transferor shall disclose, in the title assignment and/or an odometer disclosure statement, by checking the appropriate block if the mileage reflected on the vehicle's odometer is not the actual mileage.
- The transferor must sign and print his or her name to complete the odometer disclosure.
- The transferee must sign and print his or her name to acknowledge the odometer disclosure.
- Requires that certain language be incorporated in the odometer disclosure.
- Prohibits the same person or representatives of the same company from making the odometer disclosure and acknowledging that disclosure.



Completing the Odometer Certification of the Title

- Completing the title assignment will be different when the vehicle is exempt and when it is non-exempt.
- Regardless, you must complete the title assignment as seen below:

● ASSIGNMENT OF TITLE BY REGISTERED OWNER (not valid unless completed in full)-We warrant this Title and certify that the vehicle described herein has been transferred on ___/___/___ to the following:

Buyer(s)- _____ Address- _____

I certify to the best of my knowledge that the ODOMETER READING is the ACTUAL MILEAGE of the vehicle unless one of the following statements is checked:

1. The mileage stated is in excess of its mechanical limits.

2. The odometer reading is not the Actual Mileage.

NO TENTHS

ODOMETER READING

CAUTION: READ CAREFULLY BEFORE YOU CHECK A BLOCK

WARNING-ODOMETER DISCREPANCY

SIGNATURE(S): of Buyer(s)-X _____ of Seller(s)-X _____

PRINTED NAME(S): of Buyer(s)- _____ of Seller(s)- _____



Odometer Certification

- A vehicle that is a 2011 model or newer is NOT exempt, and so the entire assignment must be completed.
- For 2010 model vehicles or older, the following information is not required, and the corresponding fields may be left blank:
 - the odometer reading
 - both the printed name and signature of the buyer.
 - the printed name of the seller BUT the seller's signature is required and serves to release their interest in the vehicle

ⓘ Including more information is not wrong. Providing less information will result in a rejection. So, when in doubt, complete the assignments in their entirety.



Title Assignment Essentials

- Each title assignment must be fully completed at the time of transfer. All information must be provided. The chain of ownership must be complete.
- Title Assignments must have all of the following items:
 1. The date of sale
 2. The buyer's name and address
 3. An Odometer Reading
 - Remember: The odometer reading is NOT required when the vehicle is exempt under the Federal Truth and Mileage Act.
 4. Buyer(s) and Seller(s) Signatures
 - Both the printed name and signature of the buyer is required unless the mileage is exempt (If the mileage is exempt, then the buyer does not have to sign or print their name).
 - The printed name and signature of the seller is required unless the mileage is exempt. If the mileage is exempt the seller doesn't have to print their name, the seller needs only to sign their name in order to release their interest in the vehicle).



Title Assignment Process

- The following scenario is an example of a chain of ownership that could occur for dealers.
- It will show how vehicles move through the various chains of ownership with the same title documents. You will also observe how the process changes once the vehicle is sold to an individual rather than another dealer. This procedure is documented as the title assignment on the right shows.

Any Alteration includes:

- Strike throughs;
- Tracing over a letter or number;
- Using a different color ink in the middle of a name;
- Using an ink color other than black or blue.

FEDERAL and State Law requires that you state the mileage in connection with transfer of ownership. Failure to complete ODOMETER STATEMENT OR providing a FALSE STATEMENT may result in fines and/or imprisonment.

***** NOTICE: ANY ALTERATION OR ERASURE VOIDS THE ASSIGNMENT and all assignments that follow*****

ASSIGNMENT OF TITLE BY REGISTERED OWNER (not valid unless completed in full) - See warrant this Title and certify that the vehicle described herein has been transferred on 01 / 15 / 19 to the following:

Buyer(s)- Magic Cars Address- 5 Any St. Mobile, AL 32245
 I certify to the best of my knowledge that the ODOMETER READING is the ACTUAL MILEAGE of the vehicle unless one of the following statements is checked:
 1. The mileage stated is in excess of its mechanical limits.
 2. The odometer reading is not the Actual Mileage.
WARNING-ODOMETER DISCREPANCY

DATE OF SALE: 01/15/19

SIGNATURE(S) of Buyer(s)-X Cindy Lee of Seller(s)-X Joe Jones
 PRINTED NAME(S) of Buyer(s)- Cindy Lee of Seller(s)- Joe Jones
 LIENHOLDER TO BE RECORDED AND SHOWN ON NEW TITLE: (IF NONE, STATE "NONE") * * * * *
 NAME OF 1st LIENHOLDER: None
 ADDRESS OF 1st LIENHOLDER:

• FIRST RE-ASSIGNMENT BY LICENSED DEALER • SELLING DEALER'S STATE Lic. No. 02-12345-19
 I warrant this Title and certify that the vehicle described herein has been transferred to the following:
 Buyer(s)- Top Rate Cars Address- 4 West Dr. Prattville, AL 36067
 I certify to the best of my knowledge that the ODOMETER READING is the ACTUAL MILEAGE of the vehicle unless one of the following statements is checked:
 1. The mileage stated is in excess of its mechanical limits.
 2. The odometer reading is not the Actual Mileage.
WARNING-ODOMETER DISCREPANCY

DATE OF SALE: 02 / 15 / 19

SIGNATURE(S) of Buyer(s)-X George Hill of Seller(s)-X Cindy Lee
 PRINTED NAME: of Buyer(s)- George Hill of Seller(s)- Cindy Lee
 LIENHOLDER TO BE RECORDED AND SHOWN ON NEW TITLE: (IF NONE, STATE "NONE") * * * * *
 NAME OF 1st LIENHOLDER: None
 ADDRESS OF 1st LIENHOLDER:

• SECOND RE-ASSIGNMENT BY LICENSED DEALER • SELLING DEALER'S STATE Lic. No. 04-56789-19
 I warrant this Title and certify that the vehicle described herein has been transferred to the following:
 Buyer(s)- Best Auto Sales Address- 100 Hwy 12, Jasper, AL 35432
 I certify to the best of my knowledge that the ODOMETER READING is the ACTUAL MILEAGE of the vehicle unless one of the following statements is checked:
 1. The mileage stated is in excess of its mechanical limits.
 2. The odometer reading is not the Actual Mileage.
WARNING-ODOMETER DISCREPANCY

DATE OF SALE: 03 / 21 / 19

SIGNATURE(S) of Buyer(s)-X Jim Best of Seller(s)-X George Hill
 PRINTED NAME: of Buyer(s)- Jim Best of Seller(s)- George Hill
 LIENHOLDER TO BE RECORDED AND SHOWN ON NEW TITLE: (IF NONE, STATE "NONE") * * * * *
 NAME OF 1st LIENHOLDER: None
 ADDRESS OF 1st LIENHOLDER:

• THIRD RE-ASSIGNMENT BY LICENSED DEALER • SELLING DEALER'S STATE Lic. No. 32-01234-19
 I warrant this Title and certify that the vehicle described herein has been transferred to the following:
 Buyer(s)- Jane Doe Address- 100 5th St Bham, AL 35123
 I certify to the best of my knowledge that the ODOMETER READING is the ACTUAL MILEAGE of the vehicle unless one of the following statements is checked:
 1. The mileage stated is in excess of its mechanical limits.
 2. The odometer reading is not the Actual Mileage.
WARNING-ODOMETER DISCREPANCY

DATE OF SALE: 05 / 01 / 19

SIGNATURE(S) of Buyer(s)-X Jane Doe of Seller(s)-X Jim Best
 PRINTED NAME: of Buyer(s)- Jane Doe of Seller(s)- Jim Best
 LIENHOLDER TO BE RECORDED AND SHOWN ON NEW TITLE: (IF NONE, STATE "NONE") * * * * *
 NAME OF 1st LIENHOLDER: Best Auto Sales

Selling a Car to a Dealer EXAMPLE

- In this example, Joe Jones owns the vehicle, and on January 15, 2019 he sells his vehicle to a dealer, Magic Cars. The mileage is certified at 21,555.
- (Chain of Ownership documentation) Cindy Lee is a representative of Magic cars, so she signs and prints her name on the bottom left of the first assignment. Any dealer representative can sign on behalf of the dealer.
- However, the name of the individual –not the dealer name - must be listed as the buyer or seller.
- On February 15, 2019 Magic City Sells the Car to Another Dealer
- Magic City must list their dealer license number at the top of this assignment. Although Cindy Lee signed as the selling representative for Magic City, any rep could have signed as the seller.
- On March 21, 2019, Top Rate Cars sold the vehicle. The vehicle is sold to another dealer, Best Auto Sales.



What did you observe in this example?

- a) The vehicle Can be transferred from dealer to dealer using the back of the same title
 - b) Once sold to an individual, the vehicle would be officially titled
 - c) All of the above
-
- The correct answer is c) All of the above. The same title can be used in between dealers, but an individual will not use the same process.
 - There are different requirements for dealers vs individuals
 - For dealers, all assignments on the back of the title must be completed in their entirety for each transaction or it will be rejected.



Reminder

- As observed in the scenario above, a vehicle can be transferred from dealer to dealer using the back of the title. However, once the vehicle is transferred to an individual, the vehicle must be titled.
- **Please Note:** All assignments on the back of the title **must be completed in their entirety!** Any information left incomplete will result in the title application being rejected.
- As detailed in the scenario, the chain of ownership must be accurately completed, and transfer dates must be chronological. If the assignments do not accurately reflect the transfers that occurred, then a skip in the chain of ownership has occurred, and the title is no longer valid.
- **Please Note:** Sometimes, all of the assignments on the back of the title have been used and/or completed. That is when you need to use a Dealer Reassignment Form (Form MVT8-3)



Understanding the Dealer Reassignments

- Things to Remember About the Dealer Reassignment Form (MVT 8-3)
 - This form can only be initiated by an Alabama Dealer.
 - Form MVT 8-3 can be found [here](#).
 - It can only be initiated when all available assignments have been completed. Once a re-assignment form has been initiated by someone (even a dealer from another state), you are prohibited from using any unused assignments on the title. Additional assignments must be made on the re-assignment form.
 - The MVT 8-3 **cannot** be used to correct an error in an assignment



Foreign Reassignment Supplement Forms

- Must be initiated by the dealer from the state where the form originated.
- If an out-of-state dealer has left the back of a title and initiated a re-assignment supplement form-subsequent dealers are prohibited from using any unused assignments on the title. Any additional assignments must be made on the out-of-state re-assignment form.



Correcting an Error in a Title Assignment

- If an error is made in an assignment, it can be corrected using the [Form MVT 5-7](#), Affidavit to Correct an Assignment on a Certificate of Title.
- These are the things to remember when you need to complete an affidavit:
 - It can only be used to correct an error on the back of the title in an individual assignment.
 - It can only be used if the buyer or seller is a licensed Alabama dealer or a legal resident of Alabama.
 - It can be used to correct either an assignment by registered owner or a reassignment by a licensed dealer.
 - Must contain signatures of both the seller and the buyer.



Restrictions on the Use of Form MVT 5-7

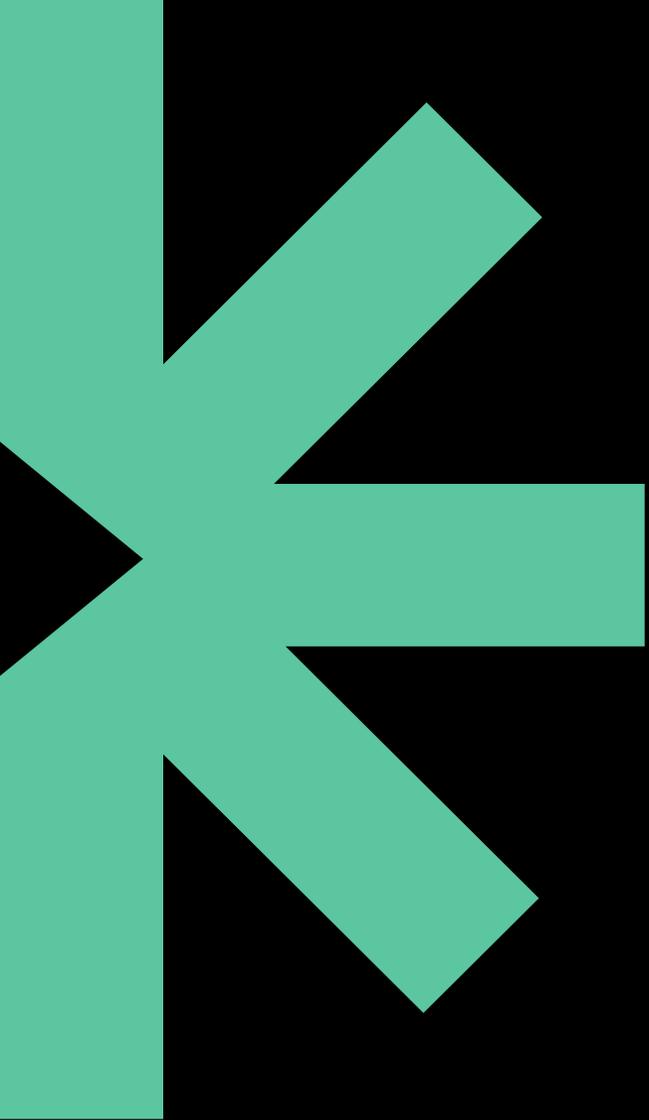
- To correct information or errors on the face of the title - a corrected certificate of title must be obtained from the issuing jurisdiction.
- For example, as a general affidavit, a one-and-the-same affidavit – a separate affidavit must be provided for the error.
- To correct other documents such as a power of attorney- a new document must be provided.
- When correction fluid appears in any area on the title – a replacement title is required.
- To correct erasures; including typewriter lift-off – a replacement title is required.
- To correct alterations caused by heavy lines or blotting out information – a replacement title is required.
- To correct skips in the chain of ownership – a title bond is required.



Transferring the Title

- If the title of a vehicle is in the name of a deceased person, the process to transfer the title will be different depending on if the owner's estate has been probated or not.
 - **If the owner's estate is probated:**
 - An individual signing on behalf of the deceased owner's estate must provide a copy of the letters of testamentary or letters of administration issued by the probate court.
 - Note: A power of attorney cannot be used to sign on behalf of the executor or next of kin in the title assignment on the back of the title.
 - **If the owner's estate is not probated:**
 - The individual signing on behalf of the deceased owner must provide the following documents:
 - Properly completed Next of Kin Affidavit or form MVT 5-6. (Note: Upon clicking the link, please enter the exact form number only in the Number Search box on the Forms page.)
 - Copy of the owner's death certificate.
 - Note: A power of attorney cannot be used to sign on behalf of the executor or next of kin in the title assignment on the back of the title.





Power of Attorneys and Liens

Module 5

Power of Attorney

- What is a Power of Attorney?
 - A Power of Attorney is a legal document that appoints or gives someone the legal authority to act on behalf of another. A Power of Attorney should contain the following essential information:
 - Date document completed
 - Name and address of individual appointed as attorney-in-fact
 - Original signature of attorney-in-fact (required only if space provided for signature on document)
 - A complete description of the vehicle, including vehicle identification number (VIN), year, make, model, and body type
 - Purpose(s) for which the appointment is intended (owner shall place a checkmark next to each purpose listed on the Power of Attorney Form [MVT 5-13](#), to detail which appointment is intended)
 - Original signature of the owner (individual appointing attorney-in-fact) and their address



Types of Power of Attorney

- General and Durable Power of Attorney
 - A General or Durable Power of Attorney grants full power and allows the appointee to execute any legal matter. A good example of this is a military person leaving the country granting their spouse full legal power while they are away.
- Limited Power of Attorney
 - A Limited Power of Attorney grants power to handle a certain type of business or transaction. For example, handle the sale of a vehicle.
- Specific Power of Attorney
 - A Specific Power of Attorney grants the appointee power to handle a very specific named transaction. For example, title application only.



Certifying Odometer with a Power of Attorney

- The Federal Truth-In-Mileage Act prohibits the same person or representative of the same company from making the odometer disclosure and acknowledging that disclosure. In other words, it takes two separate parties to certify mileage. When this doesn't occur, it is a common reason for a rejected title application.
- The error commonly happens when the owner of the vehicle assigns the dealer as their Power of Attorney (POA) and when the title arrives, a representative of the dealer signs on behalf of the buyer or seller (POA), and a representative from the dealer signs on behalf of the dealership as buyer or seller.



Things to remember about POAs

- Remember: Two independent parties are required to certify mileage. The person appointed as POA should not be associated with the dealership.
- In this example, a dealership representative has signed as both seller and buyer to certify the mileage on the back of the title. The application was rejected because a dealership was appointed as Power of Attorney using the MVT 5-13, which does not certify mileage. The dealership has signed as both buyer and seller in the assignment on the back of the title. Again, two independent parties are required to certify mileage on the back of the title, therefore, the application was rejected.

FEDERAL and State Law requires that you state the mileage in connection with transfer of ownership. Failure to complete ODOMETER STATEMENT OR providing a FALSE STATEMENT may result in fines and/or imprisonment.

***** NOTICE: ANY ALTERATION OR ERASURE VOIDS THE ASSIGNMENT and all assignments that follow*****

ASSIGNMENT OF TITLE BY REGISTERED OWNER (not valid unless completed in full)-I/we warrant this Title and certify that the vehicle described herein has been transferred on 02/02/2004 to the following:
Buyer(s)- Traders Used Cars Address- 87 Sims St. Cedar, AL. 36716
I certify to the best of my knowledge that the ODOMETER READING is the ACTUAL MILEAGE of the vehicle unless one of the following statements is checked:
▶ ODOMETER READING 21555 NO TESTING CAUTION READ CAREFULLY BEFORE YOU CHECK A BLOCK 1. The mileage stated is in excess of its mechanical limits. 2. The odometer reading is not the Actual Mileage. **WARNING-ODOMETER DISCREPANCY**

SIGNATURE(S) of Buyer(s)-X Jane Clerk of Seller(s)-X Jane Clerk POA
PRINTED NAME: of Buyer(s)- Jane Clerk of Seller(s)- Jane Clerk
LIENHOLDER TO BE RECORDED AND SHOWN ON NEW TITLE: (IF NONE, STATE "NONE") None
NAME OF 1st LIENHOLDER: None
ADDRESS OF 1st LIENHOLDER: _____

FIRST RE-ASSIGNMENT BY LICENSED DEALER • SELLING DEALER'S STATE Lic. No. 1444
I/we warrant this Title and certify that the vehicle described herein has been transferred to the following:
Buyer(s)- Sue Smith Address- 50 Cross Dr. Cedar, AL. 35412
I certify to the best of my knowledge that the ODOMETER READING is the ACTUAL MILEAGE of the vehicle unless one of the following statements is checked:
▶ ODOMETER READING 21555 NO TESTING CAUTION READ CAREFULLY BEFORE YOU CHECK A BLOCK 1. The mileage stated is in excess of its mechanical limits. 2. The odometer reading is not the Actual Mileage. **WARNING-ODOMETER DISCREPANCY** 2,15, 2004

SIGNATURE(S) of Buyer(s)-X Jane Clerk POA of Seller(s)-X Jane Clerk
PRINTED NAME: of Buyer(s)- Jane Clerk of Seller(s)- Jane Clerk
LIENHOLDER TO BE RECORDED AND SHOWN ON NEW TITLE: (IF NONE, STATE "NONE") * * * * *
NAME OF 1st LIENHOLDER: None
ADDRESS OF 1st LIENHOLDER: _____

SECOND RE-ASSIGNMENT BY LICENSED DEALER • SELLING DEALER'S STATE Lic. No. _____
I/we warrant this Title and certify that the vehicle described herein has been transferred to the following:
Buyer(s)- _____ Address- _____
I certify to the best of my knowledge that the ODOMETER READING is the ACTUAL MILEAGE of the vehicle unless one of the following statements is checked:
▶ ODOMETER READING NO TESTING CAUTION READ CAREFULLY BEFORE YOU CHECK A BLOCK 1. The mileage stated is in excess of its mechanical limits. 2. The odometer reading is not the Actual Mileage. **WARNING-ODOMETER DISCREPANCY** Date of Sale _____

SIGNATURE(S) of Buyer(s)-X _____ of Seller(s)-X _____
PRINTED NAME: of Buyer(s)- _____ of Seller(s)- _____
LIENHOLDER TO BE RECORDED AND SHOWN ON NEW TITLE: (IF NONE, STATE "NONE") * * * * *
NAME OF 1st LIENHOLDER: _____
ADDRESS OF 1st LIENHOLDER: _____

THIRD RE-ASSIGNMENT BY LICENSED DEALER • SELLING DEALER'S STATE Lic. No. _____
I/we warrant this Title and certify that the vehicle described herein has been transferred to the following:
Buyer(s)- _____ Address- _____
I certify to the best of my knowledge that the ODOMETER READING is the ACTUAL MILEAGE of the vehicle unless one of the following statements is checked:
▶ ODOMETER READING NO TESTING CAUTION READ CAREFULLY BEFORE YOU CHECK A BLOCK 1. The mileage stated is in excess of its mechanical limits. 2. The odometer reading is not the Actual Mileage. **WARNING-ODOMETER DISCREPANCY** Date of Sale _____

SIGNATURE(S) of Buyer(s)-X _____ of Seller(s)-X _____
PRINTED NAME: of Buyer(s)- _____ of Seller(s)- _____
LIENHOLDER TO BE RECORDED AND SHOWN ON NEW TITLE: (IF NONE, STATE "NONE") * * * * *
NAME OF 1st LIENHOLDER: _____
ADDRESS OF 1st LIENHOLDER: _____

Secure Power of Attorney

- The Secure Power of Attorney is used as an exception to the rule that prohibits the same person or representatives of the same company from signing the odometer disclosure.
- When can a Secure Power of Attorney (MVT 8-4) be used?
 - The Federal Truth-in-Mileage Act of 1986 permits states to provide a power of attorney form for use by owners when transferring their motor vehicles, and their certificate of title is held by a duly recorded lienholder, or the certificate of title is lost and a replacement certificate of title must be obtained.
- How to obtain a Secure Power of Attorney form (MVT 8-4)?
 - The Secure Power of Attorney Form [MVT 8-4](#) can be printed. It is also available at any of the dealer associations.



Secure Power of Attorney...CONTINUED

- The Federal Truth-in-Mileage Act of 1986 mandates:
 - This form may **ONLY** be used when the title is physically held by the lienholder or has been lost.
 - This form must be submitted to the state by the person exercising Powers of Attorney. *Failure to do so may result in fines and/or imprisonment.*



Completing the Secure POA

- Step 1: Complete Part A & Document Mileage
 - The first section to complete on Form MVT 8-4 is Part A: the Transferor's Power of Attorney to Disclose Mileage. You must disclose the mileage of the vehicle in this section. The mileage for the vehicle will be certified on the day the Secure POA is completed. When the title arrives, the information certified on the Secure POA is then transferred to the title assignment-exactly as it is stated on the Secure POA.
- The Federal Truth-In-Mileage Act of 1986 states:
 - The secure power of attorney can be used to disclose the vehicle's odometer reading by the titled owner and will also permit the transferee to complete the assignment of title.
 - The odometer disclosure and date recorded in the title assignment must be exactly as stated on the odometer disclosure made on the Secure Power of Attorney.



Completing the Secure POA

ALABAMA SECURE POWER OF ATTORNEY U614402

WARNING: This form may be used only when title is physically held by servitor or has been lost. This form must be submitted to the state by the person exercising Powers of Attorney. Failure to do so may result in fines and/or imprisonment.

VEHICLE DESCRIPTION: 2001 Ford Tempo 2D 1FAPP3W371K753211

PART A. TRANSFEROR'S POWER OF ATTORNEY TO DISCLOSE MILEAGE

Federal law (and State law, if applicable) requires that you state the mileage upon transfer of ownership. Providing a false statement may result in fines or imprisonment.

I, Joe Jones (transferor's name, print) appoint Trader's Used Cars (transferor's name, print) as my attorney-in-fact, for the purpose and with full authority to apply for a replacement certificate of title upon the vehicle described above, and further grant the authority to endorse and transfer title thereto, and disclose the mileage to this vehicle as stated in the following disclosure I have made for the vehicle described above. The date of the Statement is 02-02-2004. I state that the odometer now reads 21,555 (no letters) miles and to the best of my knowledge that it reflects the actual mileage unless one of the following statements is checked.

(1) I hereby certify that to the best of my knowledge the odometer reading reflects the mileage in excess of mechanical limits.

(2) I hereby certify that the odometer reading is NOT the actual mileage. **WARNING - ODOMETER DISCREPANCY.**

Transferor's Signature: Joe Jones Transferor's Printed Name: Joe Jones

Transferor's Street Address: 1100 Amy St Cedar AL 36766

Transferor's Signature: Jane Clerk Transferor's Printed Name: Jane Clerk

Transferor's Dealership Name: Trader's Used Cars

Business Street Address: 87 Sims St cedar AL 36776

PART B. TRANSFEREE'S POWER OF ATTORNEY TO REVIEW TITLE DOCUMENTS AND ACKNOWLEDGE DISCLOSURE
(Part B is invalid unless Part A has been completed.)

I, _____ (transferor's name, print) appoint _____ (transferor's name, print) as my attorney-in-fact for the purpose and with full authority to apply for a certificate of title and/or registration upon the vehicle described above, and to sign the mileage disclosure on the title for the vehicle described above, only if the disclosure is exactly as the disclosure completed below.

Transferor's Signature: _____ Transferor's Printed Name: _____

Transferor's Name (Typed): _____ Street Address: _____

City: _____ State: _____ Zip Code: _____

Federal law (and State law, if applicable) requires that you state the mileage upon transfer of ownership. Providing a false statement may result in fines or imprisonment.

I, _____ (transferor's name, print) state that the odometer now reads _____ (no letters) miles and to the best of my knowledge that it reflects the actual mileage unless one of the following is checked.

(1) I hereby certify that to the best of my knowledge the odometer reading reflects the mileage in excess of mechanical limits.

(2) I hereby certify that the odometer reading is NOT the actual mileage. **WARNING - ODOMETER DISCREPANCY.**

Transferor's Signature: _____ Transferor's Printed Name: _____

Street Address: _____ City: _____

State: _____ Zip Code: _____ Date: _____

PART C. CERTIFICATION (To be completed When Parts A and B Have Been Used)

I, _____ (Dealership name, print) hereby certify that the mileage I have disclosed on the title document is consistent with that provided to me in the above power of attorney. Further, upon examination of the title and any assignment documents for the vehicle described above, the mileage disclosure I have made on the title pursuant to the power of attorney is greater than that previously stated on the title and assignment documents. This certification is not intended to create, nor does it create any new or additional liability under Federal or State law.

FEDERAL and State Law requires that you state the mileage in connection with transfer of ownership. Failure to complete ODOMETER STATEMENT OR providing a FALSE STATEMENT may result in fines and/or imprisonment.

***** NOTICE: ANY ALTERATION OR ERASURE VOIDS THE ASSIGNMENT and all assignments that follow*****

ASSIGNMENT OF TITLE BY REGISTERED OWNER (This section is completed in full if we warrant this Title and certify that the vehicle described herein has been transferred on 02-02-2004 to the following:

Buyer(s): Trader's Used Cars Address: 87 Sims St Cedar, AL 36776

I certify to the best of my knowledge that the ODOMETER READING is the ACTUAL MILEAGE of the vehicle unless one of the following statements is checked:

1. The mileage stated is in excess of its mechanical limits.

2. The odometer reading is not the Actual Mileage.

ODOMETER READING: 21555 **WARNING- ODOMETER DISCREPANCY**

SIGNATURE(S) of Buyer(s): Jane Clerk of Seller(s): Jane Clerk POA

PRINTED NAME(S) of Buyer(s): Jane Clerk of Seller(s): Jane Clerk

LIENHOLDER TO BE RECORDED AND SHOWN ON NEW TITLE: (IF NONE, STATE "NONE") * * * * *

NAME OF 1st LIENHOLDER: None

ADDRESS OF 1st LIENHOLDER: _____

FIRST RE-ASSIGNMENT BY LICENSED DEALER - SELLING DEALER'S STATE Lic. No. _____
(We warrant this Title and certify that the vehicle described herein has been transferred to the following:

Buyer(s): _____ Address: _____

I certify to the best of my knowledge that the ODOMETER READING is the ACTUAL MILEAGE of the vehicle unless one of the following statements is checked:

1. The mileage stated is in excess of its mechanical limits.

2. The odometer reading is not the Actual Mileage.

ODOMETER READING: _____ **WARNING- ODOMETER DISCREPANCY**

SIGNATURE(S) of Buyer(s): _____ of Seller(s): _____

PRINTED NAME of Buyer(s): _____ of Seller(s): _____

LIENHOLDER TO BE RECORDED AND SHOWN ON NEW TITLE: (IF NONE, STATE "NONE") * * * * *

NAME OF 1st LIENHOLDER: _____

ADDRESS OF 1st LIENHOLDER: _____

SECOND RE-ASSIGNMENT BY LICENSED DEALER - SELLING DEALER'S STATE Lic. No. _____
(We warrant this Title and certify that the vehicle described herein has been transferred to the following:

Buyer(s): _____ Address: _____

I certify to the best of my knowledge that the ODOMETER READING is the ACTUAL MILEAGE of the vehicle unless one of the following statements is checked:

1. The mileage stated is in excess of its mechanical limits.

2. The odometer reading is not the Actual Mileage.

ODOMETER READING: _____ **WARNING- ODOMETER DISCREPANCY**

SIGNATURE(S) of Buyer(s): _____ of Seller(s): _____

PRINTED NAME of Buyer(s): _____ of Seller(s): _____

LIENHOLDER TO BE RECORDED AND SHOWN ON NEW TITLE: (IF NONE, STATE "NONE") * * * * *

NAME OF 1st LIENHOLDER: _____

ADDRESS OF 1st LIENHOLDER: _____

THIRD RE-ASSIGNMENT BY LICENSED DEALER - SELLING DEALER'S STATE Lic. No. _____
(We warrant this Title and certify that the vehicle described herein has been transferred to the following:

Buyer(s): _____ Address: _____

I certify to the best of my knowledge that the ODOMETER READING is the ACTUAL MILEAGE of the vehicle unless one of the following statements is checked:

1. The mileage stated is in excess of its mechanical limits.

2. The odometer reading is not the Actual Mileage.

ODOMETER READING: _____ **WARNING- ODOMETER DISCREPANCY**

SIGNATURE(S) of Buyer(s): _____ of Seller(s): _____

PRINTED NAME of Buyer(s): _____ of Seller(s): _____

LIENHOLDER TO BE RECORDED AND SHOWN ON NEW TITLE: (IF NONE, STATE "NONE") * * * * *

NAME OF 1st LIENHOLDER: _____

ADDRESS OF 1st LIENHOLDER: _____

NOTE: That a representative from Trader's Used Cars signed as both buyer & seller in the assignment of the title.

This is allowed by the Federal Truth-In-Mileage Act when using a Secure of Attorney because the mileage was actually certified on the Alabama Secure Power of Attorney (MVT 8-4) on 2/2/2004.



Part B of the Secure POA...CONTINUED

- Part B: Transferee's Power Of Attorney To Review Title Documents And Acknowledge Disclosure, is to be completed ONLY if the title is outstanding and the vehicle is sold again.
- When should Part B of the Secure POA (Form MVT 8-4) be completed?
 - Outstanding Titles: Part B should be completed only if the title is outstanding (waiting for a replacement or held by a lien holder) and the vehicle is sold again.



Perfecting a Lien

- How is a lien perfected, and why is it important?
 - Perfecting a lien **means to record the lienholder's security interest in the vehicle according to statutory requirements.** Perfecting a lien is important because the lien date establishes priority against other creditors.
 - [Article Three of the Alabama Uniform Certificate of Title and Anti-Theft Act](#) prescribes the exclusive method for perfecting security interests in motor vehicles required to be titled under the Act.
 - A security interest is perfected by the delivery to the department of the existing certificate of title containing the name and address of the lienholder and the date of his security agreement and the required fee.
 - The lien is perfected as of the time of its creation if the delivery is completed within 30 days thereafter otherwise, as of the time of the delivery.

Please Note: If the title application package is received within 30 days, the lien is perfected as of the creation date. However, if the title application package is received after 30 days, the lien is perfected as of the date that the department receives the application.



Releasing a Lien

- A lien release is when the holder of a lien, or security interest in a piece of property, lifts or waives the lien, rendering the property free to purchase.
- The two ways a lien is released are:
 - Release by signature
 - Release by age



Lien Release by Signature

There are two conditions that apply to a lien released by signature:

- Title with Lien Release Requirements:
 - Signature of authorized representative of lienholder
 - Date of lien release
 - Name of lienholder
- Separate Lien Release Requirements:
 - Lien release must be on letterhead. If not on letterhead it must include the name of the recorded lienholder.
 - Lien release must provide the name of the owner with whom the lienholder held a security agreement.
 - Lien release must identify the vehicle by complete vehicle identification number (VIN).
 - Lien release must state clearly that the lien has been released and show the date of release.
 - Lien release must be signed by an authorized representative of the recorded lienholder.



Lien Release due to Age

There are two conditions under which age can result in a lien release:

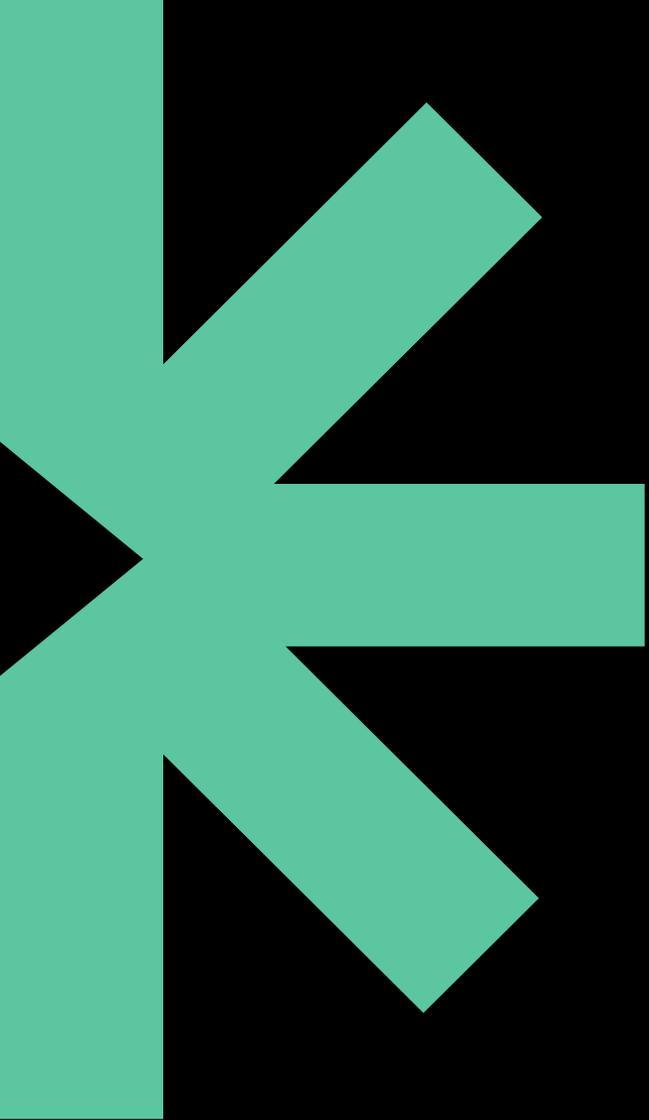
- When a lien is more than 12 years old:
 - Liens shall be considered satisfied after twelve (12) years from the date of the lien as recorded on the certificate of title.
 - Exceptions to this rule: manufactured homes, travel trailers, or vehicles that weigh more than 12,000 pounds gross weight.
 - An Example: Consider a 2000 model year vehicle with a recorded lien date of 1/1/2000. The lien is satisfied by operation of law, due to age, on 1/1/2012.
- The 12 Year/4 Year Rule: This release applies when a vehicle is older than 12 model years and the lien is more than 4 years old.
 - Lien shall be considered satisfied, and release shall not be required after four years from the date of the security agreement as recorded on the face of the certificate of title.
 - Exceptions to this rule are manufactured homes, travel trailers, or vehicles that weigh more than 12,000 pounds gross weight.
 - For example, consider a 2000 model year vehicle with a recorded lien date of 01/01/2010. The lien is satisfied by operation of law, due to age, on 1/1/2014.



Things to Remember about Liens

- If a lien will be released by operation of the law, due to age, a Designated Agent can extend the lien (prior to the lien release date) by logging into MyDMV and creating an application for Lien Management– Continue Lien.





Repossessions, Salvage & Rebuilt Vehicles

Module 6

Repossession Form MVT 15-1

- Repossessed Motor Vehicle Affidavit and Disposition of Vehicle Under Lien, also known as Form MVT 15-1, must be completed by the recorded lienholder when a vehicle is repossessed.
- The lienholder may assign the vehicle ownership without obtaining a title in their name if their lien is recorded on the face of the title.
- Things to consider before completing form MVT 15-1:
 - The date of repossession is the date the lienholder recovers the vehicle from the owner.
 - The lien on the face of the title should not be released when a vehicle has been repossessed.



Lienholder of Record Repossessions

- The MVT 15-1 is a supporting document to a title and cannot be used to reflect a transfer of ownership. The actual transfer is accomplished when the repossessing lienholder completes the assignment by registered owner on the back of the title.
**Please note: A repossessing lienholder who is also a licensed dealer should complete the registered owner section (not an assignment by the licensed dealer) since the vehicle is being sold as the result of the repossession.*
- If you are the recorded lienholder on the face of the title, simply complete the Repossessed Motor Vehicle Affidavit and Disposition of Vehicle Under Lien, Form MVT 15-1, and complete the back of the title to transfer the vehicle. [Form MVT 15-1](#) is available to download/print on the Department of Revenue website.



Unrecorded Lienholder Repossessions

- If a vehicle is repossessed before the lien has been recorded on the certificate of title, the unrecorded lienholder must obtain the certificate of title in their name before transferring the vehicle's title.
- The following documents must be submitted to title in the name of the unrecorded lienholder:
 1. A title application in the lienholder's name
 2. Certificate of title in the name of or assigned to the individual(s) from whom the vehicle has been repossessed
 3. Security agreement signed by the owner(s)
 4. Repossessed Motor Vehicle Affidavit and Disposition of Vehicle Under Lien (form MVT 15-1)



Salvage Vehicle Definitions and Requirements

- The following definition and requirements are found in [Section 32-8-87](#), Code of Alabama 1975.
- When the frame or engine is removed from a motor vehicle and not immediately replaced by another frame or engine, or when an insurance company has paid money or made other monetary settlement as compensation for a total loss of any motor vehicle, the motor vehicle shall be considered salvage.
- A total loss occurs when an insurance company or any other person pays or makes other monetary settlements to a person/company when a vehicle is damaged and the damage to the vehicle is **equal to or greater than 75 percent** of the fair retail value of the vehicle prior to the damage.
- Retail value is required to be based upon a current edition of a nationally recognized compilation of retail values, including automated databases.



Salvage Vehicle Definitions and Requirements

CONTINUED

- A salvage vehicle is not legally operable on Alabama roadways.
- Alabama law will not allow a salvage title to be issued once a current salvage title already exists. Ownership is transferred using the assignments on the back of the title, however, the vehicle must undergo the rebuilt inspection process and only a rebuilt title can be issued after a salvage title has been issued. Note: Only licensed Alabama rebuilders can apply for rebuilt inspection, unless the vehicle was an owner retained salvage.
- The Department of Justice requires all junkyards and salvage yards handling five or more junk or salvage vehicles per year to report to NMVTIS (National Motor Vehicle Title Information System) with specific information on each junk or salvage automobile obtained in whole or in parts in the prior month. NMVTIS is intended to protect consumers from fraud and unsafe vehicles and to keep stolen vehicles from being resold. Failure to report to NMVTIS as required is punishable by a civil penalty of \$1,000 per violation.



Salvage Vehicle Definitions and Requirements

CONTINUED

- NMVTIS allows the public to check whether a business is registered to report to NMVTIS and the date of the registered business' last report. The public search can be found at https://vehiclehistory.bja.ojp.gov/nmvtis/nmvtis_who_report.
- Designated Agents shall complete a salvage application for title in MyDMV. Non-Designated Agents should complete an Application for Salvage Certificate of Title, Form [MVT 41-1](#), found at: <https://revenue.alabama.gov/forms/?d=motor-vehicle>.



Rebuilt Vehicles

- The Department may issue a certificate of title to any motor vehicle for which a salvage certificate has been issued by this or any other state, and the vehicle has, in this state, been completely restored to its operating condition which existed prior to the event which caused the salvage certificate of title to issue, provided all requirements of the Code of Alabama 1975, Section 32-8-87, have been met.
- No certificate of title shall be issued for any motor vehicle for which a "junk" certificate has been issued or for a vehicle which is sold "for parts only" or if NMVTIS reflects the vehicle disposition as "crush."



Salvage or Rebuilt Vehicles Disclosure

- Designated Agents are required by law to disclose, in writing, that a vehicle is salvaged or rebuilt, even if the vehicle is donated.
- Code of Alabama 1975, §32-8-87, states, in part:
 1. Each person who sells, exchanges, delivers, or otherwise transfers any interest in any vehicle for which a title bearing the designation "salvage" or "rebuilt" has been issued shall disclose in writing the existence of this title to the prospective purchaser, recipient in exchange, recipient by donation, or recipient by other act of transfer.
 2. The disclosure shall be made at the time of or prior to the completion of the sale, exchange, donation, or other act of transfer, and shall contain the following information in no smaller than 10-point type: "This vehicle's title contains the designation 'salvage' or 'rebuilt.'"



Rebuilt Inspection FAQ

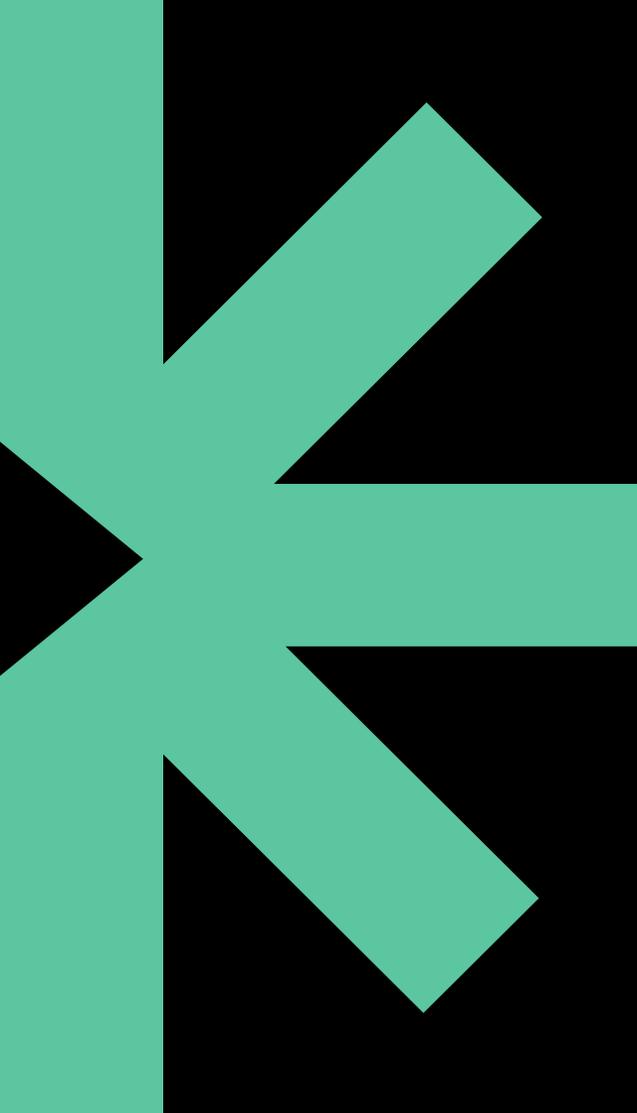
- Who can apply for a rebuilt inspection?
 - The owner of the vehicle at the time of loss prior to the vehicle being deemed salvage or a licensed rebuilder.
- What is the cost of an inspection
 - The inspection fee is \$75.00 and the title application fee is \$15.00 for a total of \$90 payable at the time the title application is submitted.
- May I apply for an inspection of a vehicle that was rebuilt in another state?
 - No, Section 32-8-87, Code of Alabama 1975, provides only for inspections of vehicles rebuilt in this state
- How do I schedule an inspection?
 - Upon receipt, review, and approval of your application package, a Motor Vehicle Inspector should contact you, within 5-7 business days, to schedule the inspection.



Rebuilt Inspection FAQ...CONTINUED

- How do I submit an application?
 - *Rebuilders:* Application packages are submitted in the same manner as all other title applications.
 - *Individuals (owner retained):* The individual must have been the titled owner of the vehicle prior to the incident that caused the vehicle to be salvaged. The application form [INV 26-15](#), can be found on the department's website at: <https://www.revenue.alabama.gov/forms/>
- What are the application requirements?
 - Every application must indicate repairs made and/or component parts (major or minor) replaced.
 - Major parts replaced require a notarized bill of sale referencing the VIN
 - Minor parts require a bill of sale (notarization not required).
 - Repairs should be entered on the application by selecting "other" under "Minor Parts"
- What documents are required to be submitted with the application?
 - Outstanding salvage certificate of title.
 - Notarized bills of sale for major parts and bills of sale for minor parts





Dealer Tags, Temporary Tags and Sales Tax

Module 7

Legal Dealer Tag Usage

- Where and who can legally display dealer tags?
 - The legal use of dealer tags is limited to vehicles owned by the dealership and held in the inventory for sale.
 - Such use is limited to the following:
 - The owner of the dealership
 - Partners of the dealership
 - Corporate officers of the dealership
 - Employees of the dealership
 - Prospective purchasers (limited to 72 hours)
 - Temporarily Loaned Vehicles
- Vehicles temporarily loaned to customers while repairing their vehicle or loaned to a high school for student driver education, as long as no fees are charged.



Dealer Tag Usage

- Dealers may purchase a standard plate for inventoried vehicles including those not qualified to display dealer plates. No motor vehicle ad valorem taxes or sales tax shall be collected by the local issuing official when a standard plate is issued for a motor vehicle held in inventory by a licensed new or used motor vehicle dealer. §40-12-264(k)
- Dealer tags may NOT be used on the following vehicles, even when in the dealer's inventory:
 - Rental or lease vehicles
 - Tow Trucks
 - Service Trucks or Vans
 - Other vehicles used for any commercial purpose

*Any person who makes willful misstatements or files documents with erroneous information in order to obtain motor vehicle plates may be assessed a civil penalty of \$1,000 by the department.



How are dealer tags obtained?

- Upon presentation of the dealer regulatory license and county privilege license, tags will be issued by the Motor Vehicle Division. Tags can be purchased through the dealer's account in MyDMV.
- **Please Note:** New franchise dealers may purchase up to 35 combined motorcycle and dealer plates. Used dealers may purchase up to 10 combined motorcycle and dealer plates. Any new or used dealer who completes title applications for 300 or more vehicles during the previous dealer year may purchase a combined total of up to 25 additional motorcycle and dealer plates. §40-12-264



Temporary Tags

- A designated Agent may issue a temporary tag and temporary registration receipt valid for twenty (20) days from the date of issuance to the owner of a motor vehicle that is to be permanently licensed in any state. *Only licensing officials may issue a temporary tag and temporary registration valid for more than twenty (20) days*
- Designated Agents and manufacturers who also issue temporary tags and temporary registrations must maintain a record of all temporary tags and registrations issued for a period of one year.
- *The Alabama Department of Revenue may examine these records upon request. Failure of a Designated Agent or manufacturer to faithfully perform its duties associated with the issuance of temporary tags and registrations may result in the revocation of this authority and the dealer's license.*



Temporary Tags CONTINUED

- Every vehicle operator should display the temporary tag per §32-6-51, Code of Alabama 1975, on the vehicle for which it was issued (on the rear of the vehicle). The temporary registration should be kept inside the motor vehicle.
- Temporary tags issued for a truck or truck tractor with a gross weight exceeding 12,000 pounds shall display the notation: “Unladen Weight Only.”
- Designated agents and manufacturers must request temporary tag material by completing a Temporary Tag Application online through their MyDMV account. Once you have ordered the material you will be able to print your temp tags when needed.



Dealer Compliance

- There is a penalty for failure to obtain a license. A person that is subject to the licensing requirements in the state of Alabama, but willfully fails to acquire the license, shall be subject to a penalty of \$500 for the first violation and \$1,000 for the second, or subsequent violation. §40-12-392.
- No person, other than a motor vehicle dealer, or lienholder, may sell a motor vehicle without being currently recorded as the owner or lienholder on the certificate of title- (or designated as the attorney in fact acting on behalf of the titled owner or lienholder). Essentially, the law prohibits the sale of a vehicle at consignment and provides that such vehicles may be impounded by law enforcement. §40-12-391



Dealer Location Requirements

- The following is a list of permanent location requirements that all licensed dealers must meet:
 1. A building or structure from which sales of motor vehicles are conducted. The building or structure must be owned, rented, or leased and must be used as an office and a place to receive mail, keep records and conduct routine business, including utilities under the name of the licensed business or the business owner
 2. Be properly zoned for business.
 3. Have posted operating days/hours
 4. Have an area designated as display space for the dealer's inventory
 5. Sales shall be made only from the permanent location (with exception to offsite license)



Dealer Sign Requirements

The following is a list of permanent location sign requirements that all licensed dealers must meet:

1. Include the name under which the applicant is licensed
2. Clearly identifies the applicant's location as being the place of business of a motor vehicle dealer.
3. Be a sufficient size to be legible from the street fronting the display area, or from a distance to fifty yards, whichever is greater, so as to apprise a reasonable consumer that a retail motor vehicle sales business is being conducted at said location.
4. Must be a permanent structure or attached to the face of the building.

*Sales of new and used motor vehicles shall be made only from the permanent location.



Dealer Offsite License Requirements

The following is a list of requirements that all licensed dealers must meet when using an Offsite License:

1. Off-site licenses are required to be purchased 10 calendar days prior to the beginning sale date.
2. Each sale shall not exceed 10 consecutive calendar days.
3. The sale must be conducted within the county or city where the dealer maintains a permanent location.

*Please Note: Licensed dealers can conduct up to 3 off-site sales per year



Facilitator License Requirements

- Any individual or entity can host an off-site sales event with participating licensed Alabama dealers by obtaining a facilitator license.
- The facilitator of the sale must apply for a Facilitator license, with the department, at least 10 calendar days before the sale.
- The facilitator must list each participating dealer's off-site sale license number on the application §40-12-395



Auction License Requirements

- A person Engaged in the business of a wholesale auction must be licensed and be subject to electronic reporting requirements defined by the Administrative Rule of the Department. §40-12-446



The FAQ's of Paying Sales Tax

- When is sales tax due?
 - The sales tax is due monthly, with returns and remittances to be filed on or before the 20th day of the month for the previous month's sales. However, a taxpayer may elect to file and pay state sales tax on a calendar quarter basis when the total sales tax for which the taxpayer is liable averages less than \$200 per month during the preceding calendar year. The election to file and pay quarterly shall be made in writing to the Alabama Department of Revenue no later than February 20th of each year.
- If the 20th falls on a weekend or holiday, when is the payment due?
 - The return must be submitted on or before the next working day to be timely filed.
- Is there a penalty imposed for not timely filing and paying the sales tax due?
 - Yes, Penalty and interest is due if the tax is paid after the 20th day of the month in which the tax is due. The penalty for failure to file timely is the greater of: 10% of the tax required to be paid or \$50. The penalty for failure to pay timely is 10% of the tax required to be paid. Interest is due at the current rate.



The FAQ's of Paying Sales Tax CONTINUED

- Do I need to file a sales and/or sellers use tax return for a month in which I had no sales?
 - Yes, Once an account has been established for your business, no matter what type of tax account you have, a tax return must be filed for each month-even if your business is not open or if no tax is due.
- Am I required to file my sales tax returns electronically?
 - Yes. Business taxpayers are required to file their returns electronically using My Alabama Taxes (MAT). Rule 810-1-6.12 mandates electronic filing.
- Am I required to pay my taxes electronically?
 - Effective October 1, 2006, Act No. 2006-552, requires payments that are \$750 or greater to be made electronically through an Electronic Fund Transfer (EFT) method. EFT ACH Debit is the preferred EFT payment method. EFT ACH Credit payments are allowed only with pre-approval by the Department.



Sales Tax Annual Renewals

- *Effective November 1, 2020, taxpayers are required to renew the State of Alabama Tax License annually by December 31st.*
- The My Alabama Taxes (MAT) website will provide the ability for the business information to be verified and/or updated in order to generate a new license for the upcoming year. The following tax types will be required to renew the State of Alabama Tax License each year:
 - Sales Tax
 - Sellers Use Tax
 - Utility Gross Receipt Tax
 - Rental Tax
 - Lodgings Tax
 - Simplified Sellers Use Tax



Things To Remember –Sales Tax

- Please Note the Following:
 - DA's must apply for a new license if the entity type changed (e.g. the original entity type of Sole Proprietorship changes to Corporation or Multimember LLC).
 - If the license is not renewed pursuant to Section 40-23-6.1, Code of Alabama 1975, as amended, the State of Alabama Tax License previously issued to your business will be canceled and you will no longer be allowed to use the Tax License in order to make tax-exempt purchases for resale or rental purposes.



Paying Sales Tax CONTINUED

- According to Section 40-23-2 (4), Code of Alabama 1975, as amended, the state automotive rate is 2% and local tax rates apply.
 - Finding Out Your Local Rate
 - To find your local rate based on your address go to https://www.alabamainteractive.org/ador_taxrate_lookup/welcome.action
 - The following are the types of automotive vehicles that are taxed:

Automobiles	Motorcycles	Power Shovels
Tugs	Drag Lines	Trucks
Ross Carriers	Buses	Motorboats
Crawl Cranes	Ditchers	Lift Trucks
Boats	Airplanes	Motor Scooters
Tractors	Locomotive Cranes	Automotive Industrial Trucks
- Other similar self-propelled machines



Exempt Sales

- Sales made to other dealers (Wholesale sales)
- Sales made to exempt organizations
- Sales made for first use outside of Alabama
- Sales to non-residents



Sales to Non-residents & Drive Out Certificates

- The Administrative rules for Drive Out Certificates can be found here: [\(810-6-3-.42.02\)](#)
- These are sales of automobiles, motorcycles, trucks, truck trailers, or semitrailers that:
 - Will be registered or title outside of Alabama
 - Are exported or removed from Alabama within 72 hours for first use outside Alabama and are not subject to Alabama sales tax when the sales tax laws of the state in which the purchaser will be title or register the vehicle allows an Alabama resident to purchase a motor vehicle for first titling and registering in Alabama without the payment of tax to that state.
- To be exempt from the payment of Tax, the Drive-Out Certificate must be completed at the time of sale, and the seller must retain the Certificate.
 - *The Certificate doesn't apply to mobile homes, living quarter trailers, motorbikes, all-terrain vehicles, or boats.*



Drive Out Certificate

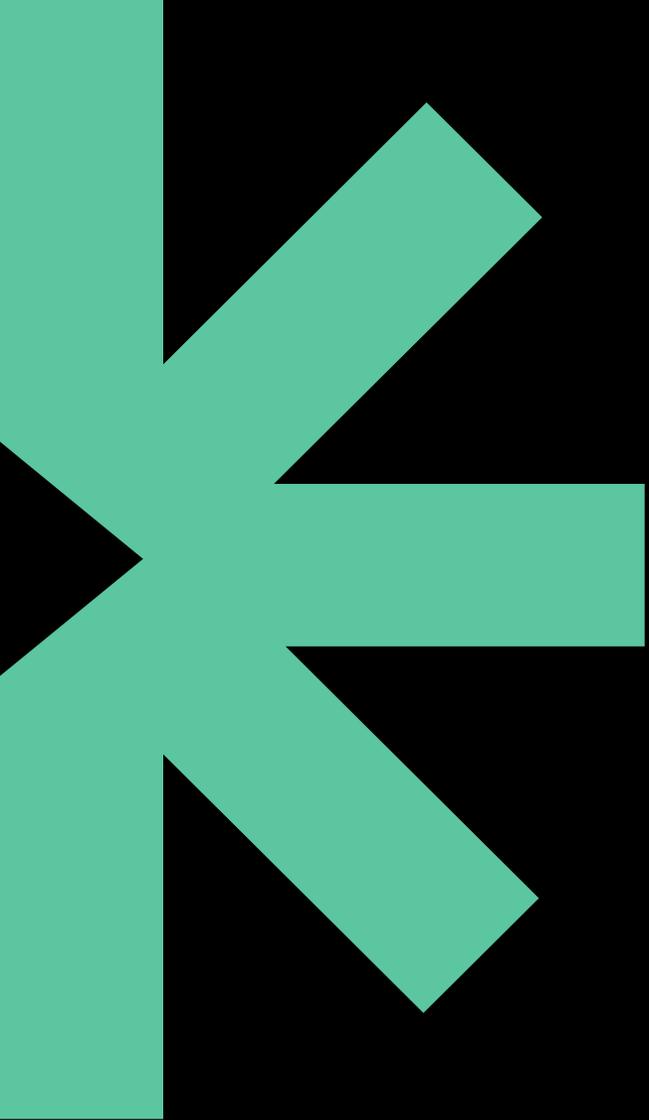
- When a Dealer delivers an automotive vehicle outside Alabama or outside the city and/or county where the dealer is located, the dealer can claim an exemption from sales tax by completing the “Certificate of Exemption Out of State/City/County Delivery” Form. (Rule 810-6-3-.03.02)
 - The form must be signed by the dealer, the buyer, and the person making the delivery.



Driving Out Provision

- The following states do not allow Alabama residents to purchase a vehicle without the payment of tax to that state for first titling and registration in Alabama:
 - Arizona 2%
 - California 2%
 - Florida 2%
 - Indiana 2%
 - Massachusetts 2%
 - Michigan 2%
 - South Carolina 2% (Tax Due is Capped at \$500)
- The partial tax due will be the state sales tax of two percent (2%), not to exceed the amount of tax that would have otherwise been due on the vehicle in the state in which the nonresident will title or register the vehicle for first use. Local sales and use taxes will not apply to these purchases.





Managing Title Work

Module 8

MyDMV

- You must be logged into MyDMV in order to access and manage title work.
- The Summary Tab manages all licenses, access to title work, and Inventory.
- The Action Center Tab manages notifications and items that need your attention
- The Business Management tab hosts previous application submissions, Messages sent to and received from the Department, Letters, Names and addresses, and user access.
- The Setting Tab allows the user to see account access for any and all licenses held by the organization.



Manage Title Applications

- After all the training quizzes are completed, a “Manage Title Applications” link will appear
- This is where title applications can be started, saved, edited, voided, and reworked.
- The standard amount charged for a vehicle title application is \$15.00
- There is no charge to re-submit a title application that was previously rejected.



Things to Remember

- Liens can be added or removed during a title transfer.
- Transferring a lien **does not** change the original terms of the lien.
- Out-of-State title brands are required to be added to the Alabama title.
- An application must be submitted and uploaded to the Department within 30 days, or the Designated Agent will be locked out of the system.
- Placing a 'Hold' on a title application will provide an additional 30 days to complete the title application.
- A title application must be paid within 10 days from completion.



Application Status

- You must indicate that the application is complete when uploading documents in order for it to be submitted to the department for review.
- A title that has been mailed out will reflect the status of 'Issued.'

