

**168A.12 INTEREST PASSING BY NONVOLUNTARY TRANSFER.**

Subdivision 1. **Last certificate, proof or transfer, and application to department.** If the interest of an owner in a vehicle passes to another other than by voluntary transfer, the transferee shall, except as provided in subdivision 2, promptly mail or deliver to the department the last certificate of title, if available, proof of the transfer, and an application for a new certificate in the format the department prescribes.

Subd. 2. **Owner's interest terminated or vehicle sold by secured party.** If the interest of the owner is terminated or the vehicle is sold under a security agreement by a secured party named in the certificate of title, the transferee shall promptly mail or deliver to the department the last certificate of title, if available, an application for a new certificate in the format the department prescribes, and an affidavit made by or on behalf of the secured party that the interest of the owner was lawfully terminated or the vehicle sold pursuant to the terms of the security agreement. If the secured party succeeds to the interest of the owner and holds the vehicle for resale, the secured party need not secure a new certificate of title provided that a notice thereof in a format designated by the department is mailed or delivered by the secured party to the department in duplicate within 48 hours, but upon transfer to another person the secured party shall promptly execute assignment and warranty of title and mail or deliver to the transferee or the department the certificate, if available, the affidavit, and other documents required to be sent to the department by the transferee.

Subd. 3. **Delivery and issuance; effect on parties.** A person holding a certificate of title whose interest in the vehicle has been extinguished or transferred other than by voluntary transfer shall mail or deliver the certificate to the department upon its request. The delivery of the certificate pursuant to the request of the department does not affect the rights of the person surrendering the certificate, and the action of the department in issuing a new certificate of title as provided herein is not conclusive upon the rights of an owner or secured party named in the old certificate.

**History:** 1971 c 162 s 12; 1986 c 444; 1989 c 148 s 9; 2002 c 371 art 1 s 20,21