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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 4062

03/09/2026 Authored by Tabke and Rehm
The bill was read for the first time and referred to the Committee on Transportation Finance and Policy
03/26/2026 Adoption of Report: Placed on the General Register
Read for the Second Time

A bill for an act

relating to motor vehicles; increasing deadline to file vehicle title transfers to 20 days; modifying eligibility requirements for rental motor vehicle license plates; making technical corrections; amending Minnesota Statutes 2024, sections 168.101, subdivision 2a; 168.15, subdivision 1; 168.27, subdivision 9; 168.301, subdivision 2; 168A.04, subdivision 2; 168A.151, subdivision 1; 168A.154; Minnesota Statutes 2025 Supplement, section 168.1289, subdivision 1; repealing Minnesota Rules, part 7400.5200, subpart 4.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2024, section 168.101, subdivision 2a, is amended to read:

Subd. 2a. **Failure to send to registrar ~~within ten days~~.** Any person who fails to mail in the application for registration or transfer with appropriate taxes and fees to the registrar of motor vehicles or otherwise fails to submit ~~said~~ the forms and remittance to the registrar within ~~ten~~ 20 calendar days following the date of sale ~~shall be~~ is guilty of a misdemeanor.

Sec. 2. Minnesota Statutes 2025 Supplement, section 168.1289, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Auto rental company" means a corporation, partnership, individual, or other person that is engaged primarily in the renting of at least 50 rental motor vehicles at per diem rates.

(c) "Rental motor vehicle" means a passenger automobile, ~~noncommercial~~ one-ton pickup truck, motorcycle, motorized bicycle, or recreational vehicle made available for rental by an auto rental company.

Sec. 3. Minnesota Statutes 2024, section 168.15, subdivision 1, is amended to read:

Subdivision 1. **Transfer of ownership.** (a) Upon the transfer of ownership, destruction, theft, dismantling, or permanent removal by the owner from this state of any vehicle registered in accordance with this chapter, the right of the owner of the vehicle to use the registration certificate and plates assigned to the vehicle expires.

(b) When the ownership of a vehicle is transferred to another person required to register the vehicle in this state, the transferor ~~shall~~ must assign the registration tax paid to the credit of the transferee unless the registration stickers are surrendered to the commissioner before the first day of the new registration period.

(c) When seeking to become the owner by gift, trade, or purchase of any vehicle for which a registration certificate has been issued under this chapter, a person ~~shall~~ must join with the registered owner in transmitting with the application for transfer of ownership, the registration certificate, with the assignment and notice of sale duly executed.

(d) In case of loss of the title or certificate of registration of a vehicle not subject to section 325E.15, the person ~~shall make~~ must submit an application to the commissioner with proof of loss of the title as specified in section 168A.09 and assign a notice of sale of the vehicle on the application for title as specified in section 168A.04.

(e) Upon the transfer of any vehicle by a manufacturer or dealer, for use within the state, whether by sale, lease, or otherwise, the transferor ~~shall~~ must, within ~~ten~~ 20 calendar days after the transfer, file with the commissioner: (1) a notice containing the date of transfer, a description of the vehicle, and the transferee's name and residence address in the state or if not a natural person then the transferee's business and mailing address~~,~~; and (2) the transferee's application for registration.

Sec. 4. Minnesota Statutes 2024, section 168.27, subdivision 9, is amended to read:

Subd. 9. **Application.** (a) All license applications under this section and all license renewals must be made to the ~~registrar of motor vehicles~~ commissioner and duly verified by oath. The applicant ~~shall~~ must submit ~~such~~ the information ~~as~~ required by the ~~registrar may require~~ commissioner to administer this section in a manner and format prescribed by the ~~registrar~~ commissioner.

(b) Except as provided in paragraphs (c) to (f), a motor vehicle dealer must complete a title and registration application and must submit the application along with the excise and registration taxes and all applicable fees to the commissioner within 20 calendar days of the sale of a vehicle. The dealer must have on file an itemized receipt issued by the

department showing a breakdown of the taxes and fees paid. The receipt must be maintained and made available for the commissioner's inspection for three years after the sale of the vehicle.

(c) If the purchaser is not a Minnesota customer, the dealer is not required to complete an application or submit the application, taxes, and fees.

(d) If the purchaser is eligible to pay a prorated tax and provides a prorate account number to the dealer, the dealer must complete and file a title application, but the dealer is not required to collect and submit either the excise tax or registration tax.

(e) If the vehicle is currently registered in Minnesota, the dealer is not required to collect and submit the registration tax.

(f) If the vehicle must have an emissions inspection before registration, the dealer is not required to collect and submit the registration tax.

Sec. 5. Minnesota Statutes 2024, section 168.301, subdivision 2, is amended to read:

Subd. 2. ~~**Ten days to file**~~ **Filing period.** The transferee's rights to the transferred vehicle's registration plates and credit for taxes paid on the vehicle expire ~~after ten days have elapsed from the date of transfer~~ unless: (1) the transfer has been filed as provided under section 168A.10; or (2) the transferee is a dealer licensed under section 168.27, and is complying with section 168A.11.

Sec. 6. Minnesota Statutes 2024, section 168A.04, subdivision 2, is amended to read:

Subd. 2. **Secured party.** If the application refers to a vehicle purchased from a dealer ~~it shall~~, the application must contain the name and address of any secured party holding a security interest created or reserved at the time of the sale and the date of the security agreement and be signed by the dealer ~~as well as~~ and the owner~~, and~~. The dealer ~~shall within ten days~~ must mail or deliver the application and appropriate taxes to the department within 20 calendar days.

Sec. 7. Minnesota Statutes 2024, section 168A.151, subdivision 1, is amended to read:

Subdivision 1. **Salvage and prior salvage brands.** (a) When an insurer, licensed to conduct business in Minnesota, acquires ownership of a vehicle, excluding a recovered intact vehicle, through payment of damages, the insurer must:

(1) for a late-model or high-value vehicle, immediately apply for a certificate of title that bears a "salvage" brand or stamp the existing certificate of title with "salvage" in a manner prescribed by the department; or

(2) for a vehicle that is not subject to clause (1), immediately apply for a certificate of title that bears a "prior salvage" brand or stamp the existing certificate of title with "prior salvage" in a manner prescribed by the department.

(b) Notwithstanding any other law to the contrary, supporting documents used to transfer ownership of a vehicle to an insurer after payment of damages do not require a notarized signature and may be signed electronically. For purposes of this paragraph, supporting documents include but are not limited to power of attorney forms. The insurer shall indemnify and hold harmless the department for any claims resulting from issuing a certificate of title, salvage title, or junking certificate pursuant to this section.

(c) Within ~~ten~~ 20 calendar days of obtaining the title of a vehicle through payment of damages, an insurer must notify the department in a manner prescribed by the department.

(d) Except as provided in section 168A.11, subdivision 1, a person must immediately apply for a certificate of title that bears a "salvage" brand if the person acquires a damaged late-model or high-value vehicle that:

(1) was acquired by an insurer through payment of damages;

(2) will incur a cost of repairs that exceeds the value of the damaged vehicle;

(3) has an out-of-state salvage certificate of title as proof of ownership; or

(4) bears the brand "damaged," "repairable," "salvage," or any similar term on the certificate of title.

(e) Except as provided in section 168A.11, subdivision 1, a person must immediately apply for a certificate of title that bears a "prior salvage" brand if the person acquires a damaged vehicle and:

(1) a "salvage" brand is not required under paragraph (d); and

(2) the vehicle:

(i) bears the brand "damaged," "repairable," "salvage," "rebuilt," "reconditioned," or any similar term on the certificate of title; or

(ii) had a salvage certificate of title or brand issued at any time in the vehicle's history by any other jurisdiction.

(f) A self-insured owner of a vehicle that sustains damage by collision or other occurrence which exceeds 80 percent of its actual cash value must:

(1) for a late-model or high-value vehicle, immediately apply for a certificate of title that bears a "salvage" brand; or

(2) for a vehicle that is not subject to clause (1), immediately apply for a certificate of title that bears a "prior salvage" brand.

Sec. 8. Minnesota Statutes 2024, section 168A.154, is amended to read:

168A.154 SALVAGE VEHICLE TAKEN OUT OF STATE.

A dealer who sells a salvage vehicle to a buyer who intends to remove the vehicle from the state ~~shall~~ must report the sale within ~~ten~~ 20 calendar days to the department in a format prescribed by the department.

Sec. 9. **REPEALER.**

Minnesota Rules, part 7400.5200, subpart 4, is repealed.

7400.5200 SELLING NEW OR USED MOTOR VEHICLE.

Subp. 4. **Taxes, fees, and title application.** Except as provided in items A to D, the dealer shall complete a title and registration application and shall submit the application along with the excise and registration taxes and all applicable fees to the registrar within ten days of the sale of the vehicle. The dealer must have on file an itemized receipt showing a breakdown of the taxes and fees paid. The receipt must be stamped as paid by a deputy registrar. The receipt must be maintained and made available for the registrar's inspection for three years after the sale of the vehicle.

A. If the purchaser is not a Minnesota customer, the dealer is not required to complete an application or submit the application, taxes, and fees.

B. If the purchaser is eligible to pay a prorated tax and provides a prorate account number to the dealer, the dealer shall complete and file a title application, but the dealer is not required to collect and submit either the excise or registration tax.

C. If the vehicle is currently registered in Minnesota, the dealer is not required to collect and submit the registration tax.

D. If the vehicle must have an emissions inspection before registration, the dealer is not required to collect and submit the registration tax.