

CHAPTER 168A

CERTIFICATES OF TITLE FOR MOTOR VEHICLES

168A.01	Definitions.	168A.151	Grading of late model and high value vehicles.
168A.02	Application; registration and renewal.	168A.152	Use and certification of title; inspection fee.
168A.04	Form and content of application.	168A.17	Security interests.
168A.05	Certificate of title.	168A.18	Duties of parties with relation to security interest.
168A.06	Delivery of certificate.	168A.20	Satisfaction of security interest.
168A.09	Duplicate certificate.	168A.23	Suspension or revocation of certificate.
168A.10	Transfer of interest by owner.	168A.24	Duties of department.
168A.11	Purchase of vehicle by dealer.	168A.29	Fees.
168A.12	Interest passing by other than voluntary transfer.		
168A.14	Duty of department to issue new certificates and retain surrendered certificates.		

168A.01 DEFINITIONS.

[For text of subds 1 to 20, see M.S.1988]

Subd. 21. "Special mobile equipment" means every vehicle not designed or used primarily for the transportation of persons or property and only incidentally operated or moved over a highway, including but not limited to: Ditch digging apparatus, well boring apparatus, moving dollies, sawing machines, corn shellers, and road construction and maintenance machinery such as asphalt spreaders, bituminous mixers, bucket loaders, tractors other than truck tractors, ditchers, leveling graders, finishing machines, motor graders, road rollers, scarifiers, earth moving carryalls and scrapers, power shovels and drag lines, and self-propelled cranes and earth moving equipment. The term does not include travel trailers, dump trucks, truck mounted transit mixers, truck mounted feed grinders, or other vehicles designed for the transportation of persons or property to which machinery has been attached.

[For text of subds 22 to 24, see M.S.1988]

History: 1989 c 342 s 13

168A.02 APPLICATION; REGISTRATION AND RENEWAL.

Subdivision 1. Except as provided in section 168A.03, every owner of a vehicle which is in this state and for which no currently effective certificate of title has been issued in this state shall make application to the department for a certificate of title of the vehicle, pursuant to rules adopted by the department under section 168A.24, subdivision 2, clause 3.

[For text of subds 2 and 3, see M.S.1988]

History: 1989 c 148 s 1

NOTE: Subdivision 1, as amended by Laws 1989, chapter 148, section 1, is effective July 1, 1990, except that the registrar of motor vehicles may take action to revise certificate of title, assignment and warranty of title, and application for title forms and other title documents prior to July 1, 1990. See Laws 1989, chapter 148, section 17.

168A.04 FORM AND CONTENT OF APPLICATION.

Subdivision 1. The application for the first certificate of title of a vehicle in this state shall be made by the owner to the department on the form prescribed by the department and shall contain:

- (1) the first, middle, and last names, the dates of birth, and addresses of all owners who are natural persons, the full names and addresses of all other owners;
- (2) a description of the vehicle including, so far as the following data exists, its make, model, year, identifying number, type of body, and whether new or used;
- (3) the date of purchase by applicant, the name and address of the person from

whom the vehicle was acquired, the names and addresses of any secured parties in the order of their priority, and the dates of their respective security agreements;

(4) with respect to motor vehicles subject to the provisions of section 325E.15, the true cumulative mileage registered on the odometer or that the actual mileage is unknown if the odometer reading is known by the owner to be different from the true mileage;

(5) with respect to vehicles subject to sections 325F.6641 and 325F.6642, whether the vehicle sustained damage by collision or other occurrence which exceeded 70 percent of the actual cash value; and

(6) any further information the department reasonably requires to identify the vehicle and to enable it to determine whether the owner is entitled to a certificate of title, and the existence or nonexistence and priority of any security interest in the vehicle.

Subd. 2. If the application refers to a vehicle purchased from a dealer it shall 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 the owner, and the dealer shall within ten days mail or deliver the application and appropriate taxes to the department.

[For text of subd 3, see M.S.1988]

Subd. 4. If the application refers to a vehicle last previously registered in another state or country, the application shall contain or be accompanied by:

(1) any certificate of title issued by the other state or country;

(2) any other information and documents the department reasonably requires to establish the ownership of the vehicle and the existence or nonexistence and priority of any security interest in it;

(3) the certificate of a person authorized by the department that the identifying number of the vehicle has been inspected and found to conform to the description given in the application, or any other proof of the identity of the vehicle the department reasonably requires; and

(4) with respect to vehicles subject to sections 325F.6641 and 325F.6642, whether the vehicle sustained damage by collision or other occurrence which exceeded 70 percent of actual cash value.

[For text of subd 5, see M.S.1988]

History: 1989 c 148 s 2; 1989 c 188 s 1,2

NOTE: Subdivisions 1 and 4, as amended by Laws 1989, chapter 188, sections 1 and 2, are effective July 1, 1990. See Laws 1989, chapter 188, section 10.

NOTE: Subdivision 2, as amended by Laws 1989, chapter 148, section 2, is effective July 1, 1990, except that the registrar of motor vehicles may take action to revise certificate of title, assignment and warranty of title, and application for title forms and other title documents prior to July 1, 1990. See Laws 1989, chapter 148, section 17.

168A.05 CERTIFICATE OF TITLE.

[For text of subds 1 and 2, see M.S.1988]

Subd. 3. **Content of certificate.** Each certificate of title issued by the department shall contain:

(1) the date issued;

(2) the first, middle, and last names, the dates of birth, and addresses of all owners who are natural persons, the full names and addresses of all other owners;

(3) the names and addresses of any secured parties in the order of priority as shown on the application, or if the application is based on a certificate of title, as shown on the certificate, or as otherwise determined by the department;

(4) the title number assigned to the vehicle;

(5) a description of the vehicle including, so far as the following data exists, its make, model, year, identifying number, type of body, whether new or used, and if a new vehicle, the date of the first sale of the vehicle for use;

(6) with respect to motor vehicles subject to the provisions of section 325E.15, the true cumulative mileage registered on the odometer or that the actual mileage is unknown if the odometer reading is known by the owner to be different from the true mileage;

(7) with respect to vehicles subject to sections 325F.6641 and 325F.6642, the appropriate term "flood damaged," "rebuilt," or "reconstructed"; and

(8) any other data the department prescribes.

[For text of subd 4, see M.S.1988]

Subd. 5. Assignment and warranty of title forms. The certificate of title shall contain forms for assignment and warranty of title by the owner, and for assignment and warranty of title by a dealer, and shall contain forms for applications for a certificate of title by a transferee, and the naming of a secured party, and shall include language necessary to implement sections 325F.6641 and 325F.6442.

Subd. 5a. Pollution control equipment disclosure. The certificate of title shall contain a form for disclosure by the transferor of the condition of the vehicle's pollution control equipment as required by section 325E.0951. The disclosure form must be as prescribed by the registrar.

[For text of subds 6 and 7, see M.S.1988]

History: 1989 c 148 s 3,4; 1989 c 188 s 3,4

NOTE: Subdivisions 3 and 5, as amended by Laws 1989, chapter 188, sections 3 and 4, are effective July 1, 1990. See Laws 1989, chapter 188, section 10.

NOTE: Subdivision 5, as amended by Laws 1989, chapter 148, section 3, and subdivision 5a, as added by section 4, are effective July 1, 1990, except that the registrar of motor vehicles may take action to revise certificate of title, assignment and warranty of title, and application for title forms and other title documents prior to July 1, 1990. See Laws 1989, chapter 148, section 17.

168A.06 DELIVERY OF CERTIFICATE.

The certificate of title shall be mailed to the owner named in it. Secured parties, if any, shall be mailed notification of their security interest filed.

History: 1989 c 148 s 5

NOTE: This section, as amended by Laws 1989, chapter 148, section 5, is effective July 1, 1990, except that the registrar of motor vehicles may take action to revise certificate of title, assignment and warranty of title, and application for title forms and other title documents prior to July 1, 1990. See Laws 1989, chapter 148, section 17.

168A.09 DUPLICATE CERTIFICATE.

Subdivision 1. In the event a certificate of title is lost, stolen, mutilated, or destroyed or becomes illegible, the owner or legal representative of the owner named in the certificate may make application to the department for a duplicate on a form prescribed by the department. The department shall issue a duplicate certificate of title if satisfied that the applicant is entitled thereto. The duplicate certificate of title shall be plainly marked as a duplicate and mailed to the owner. The department shall indicate in its records that a duplicate has been issued. As a condition to issuing a duplicate certificate of title, the department may require a bond from the applicant in the manner and form prescribed in section 168A.07, subdivision 1, clause (2). The duplicate certificate of title shall contain the legend: "This duplicate certificate of title may be subject to the rights of a person under the original certificate."

Subd. 2. [Repealed by amendment, 1989 c 148 s 6]

Subd. 3. A person recovering an original certificate of title for which a duplicate has been issued shall promptly surrender the original certificate to the department.

History: 1989 c 148 s 6

NOTE: This section, as amended by Laws 1989, chapter 148, section 6, is effective July 1, 1990, except that the

registrar of motor vehicles may take action to revise certificate of title, assignment and warranty of title, and application for title forms and other title documents prior to July 1, 1990. See Laws 1989, chapter 148, section 17.

168A.10 TRANSFER OF INTEREST BY OWNER.

Subdivision 1. If an owner transfers interest in a vehicle other than by the creation of a security interest, the owner shall at the time of the delivery of the vehicle execute an assignment and warranty of title to the transferee in the space provided therefor on the certificate. With respect to motor vehicles subject to the provisions of section 325E.15, the transferor shall also, in the space provided therefor on the certificate, state the true cumulative mileage registered on the odometer or that the actual mileage is unknown if the odometer reading is known by the transferor to be different from the true mileage. The transferor shall cause the certificate and assignment to be delivered to the transferee immediately.

Subd. 2. Except as provided in section 168A.11, the transferee shall, within ten days after assignment to the transferee of the vehicle title certificate, execute the application for a new certificate of title in the space provided therefor on the certificate, and cause the certificate of title to be mailed or delivered to the department.

Subd. 3. [Repealed by amendment, 1989 c 148 s 7]

Subd. 4. If a security interest is reserved or created at the time of the transfer, a notification of security interest shall be delivered or mailed to the person who becomes the secured party.

Subd. 5. Except as provided in section 168A.11 and as between the parties, a transfer by an owner is not effective until the provisions of this section have been complied with; however, an owner who has delivered possession of the vehicle to the transferee and has complied, or within 48 hours after such delivery does comply, with the provisions of this section requiring action by the owner is not liable as owner for any damages resulting from operation of the vehicle after the delivery of the vehicle to the transferee.

Subd. 6. Every owner or transferor of a motor vehicle who fails or delays for more than 14 days to file the transfer of ownership with the registrar shall pay the registrar a fee of \$2.

History: 1989 c 148 s 7

NOTE: This section, as amended by Laws 1989, chapter 148, section 7, is effective July 1, 1990, except that the registrar of motor vehicles may take action to revise certificate of title, assignment and warranty of title, and application for title forms and other title documents prior to July 1, 1990. See Laws 1989, chapter 148, section 17.

168A.11 PURCHASE OF VEHICLE BY DEALER.

Subdivision 1. If a dealer buys a vehicle and holds it for resale and procures the certificate of title from the owner, and complies with subdivision 2 hereof, the dealer need not apply for a certificate of title, but upon transferring the vehicle to another person other than by the creation of a security interest shall promptly execute the assignment and warranty of title by a dealer, showing the names and addresses of the transferee and of any secured party holding a security interest created or reserved at the time of the resale, and the date of the security agreement in the spaces provided therefor on the certificate. With respect to motor vehicles subject to the provisions of section 325E.15, the dealer shall also, in the space provided therefor on the certificate, state the true cumulative mileage registered on the odometer or that the exact mileage is unknown if the odometer reading is known by the transferor to be different from the true mileage. The transferee shall complete the application for title section on the certificate of title. The dealer shall mail or deliver the certificate to the department with the transferee's application for a new certificate and appropriate taxes and fees, within ten days.

[For text of subds 2 and 3, see M.S.1988]

History: 1989 c 148 s 8

NOTE: Subdivision 1, as amended by Laws 1989, chapter 148, section 8, is effective July 1, 1990, except that the

registrar of motor vehicles may take action to revise certificate of title, assignment and warranty of title, and application for title forms and other title documents prior to July 1, 1990. See Laws 1989, chapter 148, section 17.

168A.12 INTEREST PASSING BY OTHER THAN VOLUNTARY TRANSFER.

[For text of subd 1, see M.S.1988]

Subd. 2. 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 form 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 form 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.

[For text of subd 3, see M.S.1988]

History: 1989 c 148 s 9

NOTE: Subdivision 2, as amended by Laws 1989, chapter 148, section 9, is effective July 1, 1990, except that the registrar of motor vehicles may take action to revise certificate of title, assignment and warranty of title, and application for title forms and other title documents prior to July 1, 1990. See Laws 1989, chapter 148, section 17.

168A.14 DUTY OF DEPARTMENT TO ISSUE NEW CERTIFICATES AND RETAIN SURRENDERED CERTIFICATES.

Subdivision 1. The department, upon receipt of a properly assigned certificate of title, with an application for a new certificate of title, the required fees and taxes, and any other documents required by law, shall issue a new certificate of title in the name of the transferee as owner and list any secured party named on it and mail it to the owner. The secured party or parties shall be issued a notification that the security interest has been filed.

Subd. 2. The department, upon receipt of an application for a new certificate of title by a transferee other than by voluntary transfer, with proof of the transfer, the required fees and taxes, and any other documents required by law, shall issue a new certificate of title in the name of the transferee as owner. If the outstanding certificate of title is not delivered to it, the department shall make demand therefor from the holder thereof.

Subd. 3. The department shall file and retain for seven years every surrendered certificate of title, the file to be maintained so as to permit the tracing of title of the vehicle designated therein.

History: 1989 c 148 s 10

NOTE: This section, as amended by Laws 1989, chapter 148, section 10, is effective July 1, 1990, except that the registrar of motor vehicles may take action to revise certificate of title, assignment and warranty of title, and application for title forms and other title documents prior to July 1, 1990. See Laws 1989, chapter 148, section 17.

168A.151 GRADING OF LATE MODEL AND HIGH VALUE VEHICLES.

[For text of subds 1 to 4, see M.S.1988]

Subd. 5. **Form required.** Within ten days after a vehicle is acquired under subdivision 2, a dealer shall complete the appropriate form required by the department and submit one copy to the department. One copy must be kept on file on the dealer's business premises for three years. The fact that a vehicle was previously titled by or purchased in another state has no effect on the requirements imposed by this subdivision.

History: 1989 c 342 s 14

168A.152 USE AND CERTIFICATION OF TITLE; INSPECTION FEE.

Subdivision 1. Certificate of inspection. A salvage certificate of title authorizes the holder to possess, transport, register, and transfer ownership in a vehicle. A certificate of title must not be issued for a vehicle for which a salvage certificate of title has been issued unless a certification of inspection in the form and content specified by the department accompanies the application for a certificate of title.

Subd. 2. Inspection fee. A fee of \$20 must be paid to the department before the department conducts an inspection under subdivision 1. The only additional fee that may be assessed for issuing the certificate of title is the filing fee imposed under section 168.33, subdivision 7.

Fees collected by the department under this subdivision, for conducting inspections under subdivision 1, must be deposited in the general fund.

History: 1989 c 342 s 15

168A.17 SECURITY INTERESTS.

[For text of subd 1, see M.S.1988]

Subd. 1a. Leases that are not sales or security interests. Notwithstanding any other provision of sections 168A.01 to 168A.31 or other law, in the case of a lease agreement with respect to a vehicle other than a vehicle used primarily for personal, family, or household purposes, the determination whether the lease agreement constitutes a lease and does not create a conditional sale or security interest shall be governed by the stated intent of the parties set forth in the lease agreement, unless it can be shown by a preponderance of the evidence that the terms of the lease agreement cannot be reconciled with the stated intent. In no event shall the lease agreement be deemed to create a conditional sale or security interest merely because it permits or requires the amount of rental payments to be adjusted upward or downward by reference to the amount realized by the lessor upon sale or disposition of the vehicle.

[For text of subds 2 and 3, see M.S.1988]

History: 1989 c 174 s 1; 1989 c 232 art 2 s 1; 1989 c 356 s 21

168A.18 DUTIES OF PARTIES WITH RELATION TO SECURITY INTEREST.

If an owner creates a security interest in a vehicle:

(1) The owner shall immediately execute the application in the space provided therefor on the certificate of title, or on a separate form the department prescribes, to name the secured party on the certificate, showing the name and address of the secured party, and cause the certificate, application, and the required fees and taxes to be delivered to the secured party.

(2) The secured party shall immediately cause the certificate, application, and the required fees and taxes to be mailed or delivered to the department.

(3) A second or subordinate secured party does not affect the rights of the first secured party under a security agreement.

(4) Upon receipt of the certificate of title, application, and the required fees and taxes, the department shall issue a new certificate containing the name and address of the new secured party, and mail the certificate to the owner. The secured party or parties shall be issued a notification that the security interest has been recorded.

History: 1989 c 148 s 11

NOTE: This section, as amended by Laws 1989, chapter 148, section 11, is effective July 1, 1990, except that the registrar of motor vehicles may take action to revise certificate of title, assignment and warranty of title, and application for title forms and other title documents prior to July 1, 1990. See Laws 1989, chapter 148, section 17.

168A.20 SATISFACTION OF SECURITY INTEREST.

Subdivision 1. Certificate with latest secured party. Upon the satisfaction of a security interest in a vehicle for which the certificate of title is in the possession of the

secured party, the secured party shall within 15 days execute a release of security interest in the space provided therefor on the certificate or as the department prescribes, and mail or deliver the certificate and release to the next secured party named therein, or if none, to the owner or any person who delivers to the secured party an authorization from the owner to receive the certificate. The owner, other than a dealer holding the vehicle for resale, shall promptly cause the certificate and release, together with the required fees and taxes, to be mailed or delivered to the department, which shall release the secured party's rights on the certificate or issue a new certificate.

Subd. 1a. Titles issued before July 1, 1990. For titles issued to the secured party before July 1, 1990, the secured party shall hold the certificate of title until the security interest is satisfied.

[For text of subd 2, see M.S.1988]

Subd. 3. Certificate with owner. Upon the satisfaction of a security interest in a vehicle for which the certificate of title is in the possession of the owner, the secured party shall within 15 days execute a release of security interest on the form prescribed by the department and mail or deliver the notification with release to the owner or any person who delivers to the secured party an authorization from the owner to receive the release.

History: 1989 c 148 s 12-14

NOTE: Subdivision 1, as amended by Laws 1989, chapter 148, section 12, and subdivisions 1a and 3, as added by sections 13 and 14, are effective July 1, 1990, except that the registrar of motor vehicles may take action to revise certificate of title, assignment and warranty of title, and application for title forms and other title documents prior to July 1, 1990. See Laws 1989, chapter 148, section 17.

168A.23 SUSPENSION OR REVOCATION OF CERTIFICATE.

Subdivision 1. The department shall suspend or revoke a certificate of title upon notice and reasonable opportunity to be heard when authorized by any other provision of law, or if it finds:

- (1) The certificate of title was fraudulently procured or erroneously issued;
- (2) The vehicle has been scrapped, dismantled, or destroyed; or
- (3) the vehicle has been involuntarily transferred and the owner did not surrender the certificate of title.

[For text of subds 2 to 5, see M.S.1988]

History: 1989 c 148 s 15

NOTE: Subdivision 1, as amended by Laws 1989, chapter 148, section 15, is effective July 1, 1990, except that the registrar of motor vehicles may take action to revise certificate of title, assignment and warranty of title, and application for title forms and other title documents prior to July 1, 1990. See Laws 1989, chapter 148, section 17.

168A.24 DUTIES OF DEPARTMENT.

[For text of subd 1, see M.S.1988]

Subd. 2. The department may:

- (1) Make necessary investigations to procure information required to carry out the provisions of sections 168A.01 to 168A.31;
- (2) Assign a new identifying number to a vehicle if it has none, or its identifying number is destroyed or obliterated;
- (3) Adopt and enforce such rules as may be necessary to carry out the provisions of sections 168A.01 to 168A.31;
- (4) Adopt and enforce such rules as the department may deem necessary or appropriate to require the payment of fees imposed by section 168.54, as a condition for deferring application for a certificate of title by a dealer or secured party in cases provided for in section 168A.11 or 168A.12, subdivision 2. Such rules shall permit the use of the "Transfer Filing Fee" stamp prescribed by section 168.54, when feasible.

(5) Adopt a rule which may require the owner or secured party, as the case may be, to deposit the certificate of title with the department during the period when the vehicle for which such certificate was issued is registered pursuant to section 168.31, subdivision 4, or is subject to the lien imposed by section 168.31, subdivision 6.

History: 1989 c 209 art 2 s 21

168A.29 FEES.

[For text of subds 1 and 2, see M.S.1988]

Subd. 3. Subject to subdivision 2, the department shall not issue a certificate of title to a vehicle until all fees prescribed by sections 168.54 and 168A.10, subdivision 6, with respect to any prior transfer of ownership or registration of the vehicle shall have been paid.

History: 1989 c 209 art 2 s 22