CHAPTER 5

ODOMETER MILEAGE REPORTING

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CHAPTER 5

ODOMETER MILEAGE REPORTING

5.000 Introduction (CVC §§1819, 4751, 5900, 5901, and 9255)

Mandatory Reporting—In compliance with the Federal Truth in Mileage Act of 1986, odometer mileage disclosure must be collected by the department on original registration and registered owner transfer applications of the following vehicles that are nine model years old and newer:

• Automobiles.
• Commercial vehicles with an unladen weight of 8,500 pounds or less or a gross vehicle weight (GVW) of 16,000 pounds or less.
• Motorcycles.

Determine the exempt vehicle year model by subtracting 10 years from the current calendar year. For example, in calendar year 2014, 2004 and older year models are exempt.

Reporting Exceptions—Odometer mileage disclosure is not required for:

• Vehicles 10 model years old and older (see Mandatory Reporting above).
• Commercial vehicles with an unladen weight of 8,501 pounds or more or a GVW of 16,001 pounds or more.
• Vehicles sold directly by the manufacturer to a U.S. government agency until resold by that agency.
• New vehicles transferred prior to first retail sale (dealer to dealer).
• Vehicles being reported as dismantled (junked).
• Unrecovered stolen vehicles being transferred to the insurance company.
• Low speed vehicles (LSV), as defined in the Low Speed and Neighborhood Electric Vehicles section in Chapter 2. Federal regulations require an LSV to have a speedometer, but not an odometer.
• Golf carts, as defined in the Golf Carts section in Chapter 2.

Note: The Department of Motor Vehicles (DMV) encourages odometer mileage readings for all vehicles, including the vehicles listed above. Accept all properly completed odometer disclosure statements.
5.000 Introduction, continued

Original Registration Applications—Odometer mileage disclosure is completed on the following forms, as determined by the type of application:

- Application for Registration of New Vehicle (REG 397) form.
- Application for Title or Registration (REG 343) form with no change of ownership.
- Complying out-of-state title with a change of ownership.
- Vehicle/Vessel Transfer and Reassignment Form (REG 262) with change of ownership on a noncomplying out-of-state title.
- Out-of-state odometer disclosure statement.
- Out-of-state secure power of attorney.

Registered Owner Transfers—Odometer mileage disclosure must be on a complying title or a REG 262, as appropriate.

5.005 Auto Auctions

Auto auctions must retain the original copy of their invoice. Carbon copies of the auto auction invoice are acceptable for disclosure of odometer mileage.

Auto auctions may maintain their copy of odometer mileage disclosure statements electronically or on an invoice that has a complying disclosure statement or on a photocopy of the Vehicle/Vessel Transfer and Reassignment Form (REG 262).

5.010 Certificate of Title

Several versions of the California Certificate of Title exist as shown below, all of which are valid.

Noncomplying Pink Title (“pink slip”)—This title (Certificate of Ownership) has boxes on the front side of the certificate for the odometer mileage.

Noncomplying Rainbow Title—This title has only an odometer disclosure statement on its front side for the registered owner to report the mileage. It does not have the information shown in numbers 2 and 3 in the Complying Rainbow Title section.

Note: Out-of-state titles that contain the document features outlined in the Odometer Disclosure Document Features section in this chapter, the odometer mileage disclosure statement for the seller must be provided, and an odometer reading acknowledgment for the buyer are complying titles.

Complying Rainbow Title

- The face of the title has an odometer disclosure statement for the registered owner to report the mileage.
- Language in the certification above the new buyer’s signature acknowledges the mileage reported.
- The reverse side of the title has a signature line in the dealer’s section for the new buyer to acknowledge the odometer reading.
5.010 Certificate of Title, continued

Revisions of this title provide additional space for signatures and/or disclosure:

- The 7/94 revision contains Line 1c for the new buyer to sign acknowledging the mileage reported by the seller.
- The 12/94 revision contains a separate section for odometer mileage disclosure by the seller and acknowledgment by the buyer.

Complying Pink Title with Blue Border (New 12/03)

- The face of the title is pink with a blue border and a white opaque state seal.
- The reverse side of the title is blue.
- VOID appears on the title if photocopied.
- The vehicle history (brand) information is prominently displayed within a red box in the upper right corner of the certificate.
- The title contains a warning banner printed in the right and left border that reads, “VOID WITHOUT BEAR WATERMARK. HOLD TO LIGHT TO VIEW.”
- The title contains a custom-repeated pattern of microprinted wording to expose erasures in the odometer statement areas.
- To expose chemical alterations, reactive agents are incorporated into the paper that produce various stains.

California Certificate of Title (New 6/2010)

- Has a prominent strand of polyester security thread embedded into the paper. The thread is repeatedly printed with “State of California” in a forward/backward position in microprinted text.
- The ISSUE DATE section is printed in red.
- The VEHICLE HISTORY box, VEHICLE ID NUMBER, PLATE NUMBER, and ODOMETER sections include the words “California Department of Motor Vehicles” in the shaded areas.

California Salvage Certificate (New 6/2010)

- Has a prominent strand of polyester security thread embedded into the paper. The thread is repeatedly printed with “State of California” in a forward/backward position in microprinted text.
- The VEHICLE HISTORY box, VEHICLE ID NUMBER, PLATE NUMBER, and ODOMETER sections include the words “California Department of Motor Vehicles,” in the shaded areas.
5.015 Court Actions

The person awarded ownership of a vehicle as a result of a court action is authorized to disclose the odometer mileage reading. Disclosure must be on the appropriate document, such as the complying title or Vehicle/Vessel Transferred Reassignment Form (REG 262). Use the court order as evidence to justify the missing seller’s signature.

5.020 Disclosure Features

All states are required to provide an odometer disclosure section/space on complying titles or complying forms. The odometer disclosure should contain:

- The complete vehicle description (make, year model, body type, and vehicle identification number).
- The date of sale.
- Reference to federal and state law with the following or similar wording:
  Federal and state law 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.
- The numeric odometer mileage reading that appears on the vehicle’s odometer and an indication that the reading is the actual mileage, not the actual mileage, or exceeds mechanical limits.
- The transferor’s/seller’s printed name, current address, and signature.
- The transferee’s/buyer’s printed name, current address, and signature.

California odometer disclosure statements contain a perjury statement which is not required on other state, auto auction, or government surplus auction (GSA) forms.

5.025 Disclosure Requirements (Code of Federal Regulations Title 49 §580.5 (c) and 580.5 (f))

Original Signature(s) Required—Odometer disclosure requires original signatures by the seller(s) and buyer(s); signatures by power of attorney are not acceptable. The original signature of one seller and one buyer is sufficient when multiple owners are shown on the title.

Handprinted Name(s) Required—The printed name and signature of an individual buyer or seller must be completed by hand in ink. Endorsements by a business may show a handprinted, typewritten, or computer-generated business name, but the countersignature of the authorized agent must be completed by hand and in ink.

Seller’s Disclosure Missing on Private Party Sale/Transfer—When the odometer mileage reading was not disclosed by the seller and the buyer cannot locate the seller for disclosure, the buyer must:

- Disclose the current odometer mileage reading on the complying title or a Vehicle/Vessel Transfer and Reassignment Form (REG 262).
- Complete a Statement of Facts (REG 256) form explaining why the seller’s odometer disclosure cannot be obtained.

IMPORTANT: This does not apply to dealer transactions.
5.025 Disclosure Requirements, continued

Copy of Disclosure—The original copy of the odometer disclosure must be submitted to DMV with the titling documents; a photocopy is not acceptable. Photocopies may be used if additional copies are needed for the seller or buyer. When disclosure is on a complying title, the photocopy must show the names of the prior owners, they cannot be covered.

5.030 Errors in Reporting Odometer Mileage

The following procedures apply to odometer mileage reading errors.

<table>
<thead>
<tr>
<th>If an Error Is Made</th>
<th>Then the Customer Must Submit</th>
</tr>
</thead>
<tbody>
<tr>
<td>On the odometer disclosure section of an:</td>
<td>• A Vehicle/Vessel Transfer and Reassignment Form (REG 262) for the odometer disclosure.</td>
</tr>
<tr>
<td>• Application for Registration of New Vehicle (REG 397) form.</td>
<td>• A Statement of Facts (REG 256) form explaining why there is a separate odometer disclosure statement.</td>
</tr>
<tr>
<td>• Application for Title or Registration (REG 343) form.</td>
<td></td>
</tr>
<tr>
<td>• Complying title.</td>
<td></td>
</tr>
<tr>
<td>On a Vehicle/Vessel Transfer and Reassignment Form (REG 262).</td>
<td>A new REG 262. Retain the original REG 262 when the Bill of Sale and/or Power of Attorney sections were also completed.</td>
</tr>
<tr>
<td>On a secure power of attorney.</td>
<td>A new REG 262.</td>
</tr>
<tr>
<td></td>
<td>• Discard the incorrect secure power of attorney.</td>
</tr>
<tr>
<td>But discovered after a California Certificate of Title is issued.</td>
<td>• The California Certificate of Title.</td>
</tr>
<tr>
<td></td>
<td>• A Verification of Vehicle (REG 31) form showing the current mileage.</td>
</tr>
<tr>
<td></td>
<td>• A REG 256 stating what information is in error.</td>
</tr>
</tbody>
</table>
5.035 **Information Recorded on the Certificate of Title**

A California Certificate of Title issued on or after April 18, 1994, for a vehicle on which odometer information was recorded contains the following information:

- Mileage (MI) or kilometers (KM).
- Date of transaction (MM/DD/CCYY).
- Odometer mileage reading.
- Odometer code as follows:
  - A=Actual mileage.
  - E=Exceeds mechanical limits (the odometer has reached the highest numbers mechanically available and has started renumbering at “1,” in other words it has “rolled over”).
  - N=Not actual mileage (the odometer is broken, has been replaced, or the current owner is unsure of the true mileage).

5.040 **Leased Vehicles**

The lessor (leasing company) is the registered owner of a leased vehicle and must acknowledge the odometer reading at the time the vehicle is purchased and the mileage is disclosed. The lessee is not the registered owner and cannot make endorsements regarding vehicle ownership.

The lessor may authorize an agent to disclose odometer mileage readings. This agent may be the lessee or an employee of a dealership or financial institution. That authorization may accompany the application or be kept on file with the dealership or financial institution.

**Note:** If the appointed agent is an employee of a dealership, that same employee cannot sign for both the dealer and the leasing company on the same transaction.

Odometer disclosure is not required for a change of lessee, if the lessor remains the same.
### 5.045 Original Applications

The following applies to original registration applications.

<table>
<thead>
<tr>
<th>If the Application Is a(n)</th>
<th>Then the Odometer Mileage Disclosure Must Be on</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application for Registration of New Vehicle (REG 397) form.</td>
<td>The face of the REG 397, in the odometer disclosure section. Original signatures are required to disclose and/or acknowledge the odometer reading for both the dealer and the buyer. <strong>Note:</strong> Corrections/alterations in the disclosure section invalidate the disclosure and a completed Vehicle/Vessel Transfer and Reassignment Form (REG 262) and a Statement of Facts (REG 256) form explaining the error must be submitted.</td>
</tr>
<tr>
<td>Application for Title or Registration (REG 343) form with no change of registered owner.</td>
<td>The REG 343.</td>
</tr>
</tbody>
</table>
| REG 343 with a change of registered owner. **Note:** A manufacturer’s statement of origin issued or endorsed to the applicant is a transfer and requires an odometer disclosure. | • The out-of-state complying title.  
• A REG 262.  
• An out-of-state odometer disclosure statement, if an out-of-state noncomplying title is submitted.  
If the title was unavailable at the time of sale, the disclosure must be made on a REG 262 or an out-of-state odometer disclosure statement. If the odometer disclosure is on a secure power of attorney, the attorney-in-fact must transfer the odometer disclosure information to the title. **Note:** Original signatures of the seller/buyer are required for disclosure and acknowledgment of the odometer mileage.  
Refer to the Errors in Reporting Odometer Mileage section in this chapter for information regarding errors and corrections in odometer mileage reporting. |
5.050 Replacement or Conversion of an Odometer (CVC 28053)

An odometer may be serviced, repaired, or replaced, but must reflect the same mileage after the service, repair, or replacement as it did prior. However, if the odometer is incapable of registering the same mileage, the odometer must be adjusted to zero miles, and a notice in writing must be attached to the left door frame of the vehicle by the person performing the service, repair, or replacement. The notice must specify the mileage prior to the service and the date on which the service was completed.

The odometer disclosure for a vehicle that has had its odometer replaced or converted from kilometers to miles cannot reflect the “actual mileage” unless a Statement of Facts (REG 256) form from the party who replaced/converted the odometer with all of the following information is submitted with the application.

- The date the odometer was replaced.
- The kilometer reading at the time of replacement (old reading).
- The mileage reading at the time of replacement (new reading).
- The conversion ratio used to change kilometers into miles. The National Highway Safety Administration (NHTSA) has established the kilometer conversion to miles ratio at 62 percent. For example, to convert 10,000 kilometers to miles, multiply the kilometers by 62 percent (.62) = 6,200 actual miles.

**IMPORTANT:** The odometer mileage must be shown as “Not Actual Mileage” if a REG 256 is not or cannot be provided.

5.055 Repossessed Vehicles

The odometer mileage reading for a repossessed vehicle must be reported by the legal owner (lienholder) of record (repossessor) as follows:

- The lienholder releases interest in the vehicle on the Certificate of Repossession (REG 119) form.
- The word “REPO” is entered on line 1.
- The REG 119 is used to transfer title without the registered owner’s endorsement.
- If the title has a separate odometer disclosure section, the lienholder may complete and sign that section. If there is no separate odometer disclosure section, a Vehicle/Vessel Transfer and Reassignment Form (REG 262) must be completed for odometer disclosure.

5.060 Rollbacks and Unwinds

A rollback is a transfer of ownership from the buyer back to the dealer. An unwind is when the retail customer (buyer) does not take possession of the vehicle and the vehicle does not leave the dealership, so the transaction is voided.
5.060 Rollbacks and Unwinds, continued

The odometer mileage disclosure for rollbacks and unwinds may be disclosed using a Vehicle/Vessel Transfer and Reassignment Form (REG 262).

When a rollback occurs and acknowledgement of the odometer mileage cannot be obtained from the first retail customer, accept a Statement of Facts (REG 256) form which explains that fact.

5.065 Secure Power of Attorney

California no longer produces a Secure Power Of Attorney (SPOA) form. However, continue to accept California SPOA until notified otherwise.

Rules Regarding the Use/Acceptance of an SPOA—Other states may use or provide SPOA forms. The following rules apply to an SPOA submitted with an application. The SPOA may be accepted when the:

- Title is unavailable at the time of sale.
- Vehicle owner was out of state at the time of sale and was given the SPOA by the other jurisdiction.

The SPOA is designed primarily to disclose the odometer mileage reading, but when an SPOA is required for odometer disclosure, it can also be used to appoint an attorney-in-fact to release/endorse the title or an Application for Duplicate or Paperless Title (REG 227) form.

**Note:** Any authorized employee of a business entity appointed as the attorney-in-fact on the SPOA may countersign and exercise the attorney-in-fact privilege.

If an application with multiple transfers contains an SPOA for one of the transfers, the Vehicle/Vessel Transfer and Reassignment Form (REG 262) should be used for any subsequent odometer disclosures. The REG 262 and the SPOA must be submitted with the transfer documents.

**Note:** An out-of-state SPOA may be submitted for odometer disclosure if a lienholder had possession of a nonresident title when a registered owner change took place. The SPOA may be from a different state than the nonresident title.

The state of origin copy of an SPOA to the address shown for the state in the *Polk Manual* must returned. The state of origin is the state that published the form and whose name may appear on its face. The last person completing the form must distribute the copies.
5.070 Transfers

The following applies to registered owner transfers requiring odometer disclosure:

<table>
<thead>
<tr>
<th>If the Title Document Is</th>
<th>Then the Odometer Mileage Reading Must Be Made</th>
</tr>
</thead>
<tbody>
<tr>
<td>A complying California Certificate of Title</td>
<td>For private party sales by the:</td>
</tr>
<tr>
<td></td>
<td>• Registered owner (seller) on the front of the title.</td>
</tr>
<tr>
<td></td>
<td>• Buyer on the front of the title acknowledging the same mileage.</td>
</tr>
<tr>
<td></td>
<td>For dealer sales by:</td>
</tr>
<tr>
<td></td>
<td>• The registered owner (seller) on the front of the title.</td>
</tr>
<tr>
<td></td>
<td>• The buyer on the front of the title acknowledging the same mileage.</td>
</tr>
<tr>
<td></td>
<td>• Each selling dealer in the Dealer Transactions Only section on the back of the title.</td>
</tr>
<tr>
<td></td>
<td>• Each buying dealer in the Dealer Transactions Only section on the back of the title.</td>
</tr>
<tr>
<td></td>
<td><strong>Note:</strong> A separate Vehicle/Vessel Transfer and Reassignment Form (REG 262) <strong>must</strong> be submitted when the dealer disclosure section has been completed and additional disclosure is required.</td>
</tr>
<tr>
<td>A noncomplying California Certificate of Title</td>
<td>On a separate REG 262 completed by <strong>both</strong> the seller and buyer.</td>
</tr>
<tr>
<td>A California Certificate of Title that was unavailable at the time of sale</td>
<td>On a REG 262 completed by <strong>both</strong> the seller and the buyer.</td>
</tr>
<tr>
<td></td>
<td>• The seller and the buyer <strong>must</strong> complete the same REG 262.</td>
</tr>
<tr>
<td></td>
<td>• On transactions involving a dealer, the dealer is the seller and the new registered owner is the buyer.</td>
</tr>
<tr>
<td></td>
<td>• The original copy of the REG 262 <strong>must</strong> be submitted with the transfer application.</td>
</tr>
<tr>
<td></td>
<td><strong>Important:</strong> <strong>Do not</strong> return an application for odometer disclosure on the complying title when a complying title is submitted but the odometer disclosure is on a REG 262. The department will assume the complying California title was <strong>not</strong> available at the time of sale.</td>
</tr>
</tbody>
</table>
## 5.070 Transfers, continued

<table>
<thead>
<tr>
<th>If the Title Document Is</th>
<th>Then the Odometer Mileage Reading Must Be Made</th>
</tr>
</thead>
</table>
| An Application for Duplicate or Paperless Title (REG 227) form | On a REG 262 completed by both the seller and buyer.  
• The seller and the buyer must complete the same REG 262.  
• On transactions involving a dealer, the dealer is considered the seller and the new registered owner is considered the buyer.  
• The original copy of the REG 262 must be submitted with the transfer application. |
| Submitted with an application involving multiple transfers     | On a REG 262  
• Separate REG 262 forms signed by the buyer and seller are required for each transfer.  
**Private Party Transfers Only**—If requesting disclosures from all in-between buyers/sellers would create an undue hardship on the customer, it is the department’s policy to accept odometer disclosure from the last buyer and seller only. This policy does not apply to dealer transactions. |
| A complying title from another state (goldenrod conversion)    | In the designated section(s) on the title (the location may vary).  
• The registered owner of record discloses the odometer mileage and the buyer(s) acknowledges it.  
**Note:** Depending on the transaction, an out-of-state complying odometer disclosure statement may be used for odometer disclosure. |
| A noncomplying title from another state (goldenrod conversion) | On an out-of-state odometer disclosure statement or a REG 262.  
• The seller and buyer must complete the same odometer statement.  
• The original copy of the odometer statement must be submitted with the application. |
5.075 **Vehicle/Vessel Transfer and Reassignment Form (REG 262)**

The Vehicle/Vessel Transfer and Reassignment Form (REG 262) is used for odometer disclosure when:

- The title is a noncomplying title.
- An Application for Duplicate or Paperless Title (REG 227) form is required and is part of the application.
- The title is unavailable at the time of transfer.
- There is an error or alteration in the odometer disclosure section of a complying title or Application for Registration of New Vehicle (REG 397) form.
- There are multiple transfers.

The REG 262 must be completed in **ink**, **not pencil**, as follows:

**Section 1: Vehicle/Vessel Identification**—The complete vehicle identification number (VIN) must be shown or the application will be returned as incomplete.

**Section 2: Bill of Sale**—Provided for convenience and may be used whenever a bill of sale is required. The seller’s signature is required in Section 4 when used as a bill of sale only. This section is not required to be completed when the REG 262 is used for odometer disclosure only. The Bill of Sale (REG 135) form is available online at [www.dmv.ca.gov](http://www.dmv.ca.gov).

**Section 3: Odometer Disclosure Statement**—Completed at the time of sale by the seller disclosing the mileage and signed by both buyer and seller. Errors or alterations void the odometer disclosure statement. A new REG 262 for the odometer disclosure is required with a Statement of Facts (REG 256) form explaining why a separate odometer disclosure is attached.

**IMPORTANT:** If the Bill of Sale (Section 2) and/or Power of Attorney (Section 5) information was completed, retain the REG 262 with the application even when the Odometer Disclosure Statement (Section 3) contains an error/alteration.

**Section 4: Buyer and Seller Information**—Completed by the buyer and seller:

- A business name may be completed by hand in ink, typewritten, or computer-generated. The authorized agent’s countersignature must be handwritten in ink.
- The printed name(s) and signature(s) of buyer and/or seller must be completed by hand and in ink.

**Section 5: Power of Attorney**—Provided for convenience and may be used whenever a power of attorney is required. This section is not required to be completed when used for odometer purposes only, but is required when an attorney-in-fact signs on the title other than for the odometer. The Power of Attorney (REG 260) form is available online at [www.dmv.ca.gov](http://www.dmv.ca.gov).

Return REG 262 forms **not** completed correctly to the customer.
5.080 Zero Miles Reported on New Vehicles

Documents submitted for registration of new vehicles may show the odometer mileage as “0,” but due to programming constraints for the department’s automated system, the number “0” generates an error message.

If an application shows the mileage as “0” the technician must:

- Key “1” in the ODOMETER field on the DATA COLLECT screen.
- Continue processing.