

CHAPTER 11

TRANSFERS

TABLE OF CONTENTS

Introduction.....	11.000
Attachment Sales.....	11.005
Bankruptcy Sales—Trustee or Receiver.....	11.010
Basic Transfer Requirements	11.015
California Welfare and Institutions Code Sales	11.020
Conservators or Guardians	11.025
Consul Corps Vehicles.....	11.030
Court Action Judgment	11.035
Dealers or Lessor—Retailers.....	11.040
Dealer Out of Business Registration Process.....	11.045
Disabled Veteran (DV) License Plates.....	11.050
Duplicate Titles	11.055
Errors/Erasures on the Certificate of Title	11.060
Estate Valued at \$150,000 or Less	11.065
Exempt Vehicles	11.070
Foreclosure or State Controller Sales	11.075
Indian-Owned Vehicles	11.080
Leased Vehicles	11.085
Legal Owner (Lienholder) Transfers	11.090
Legal Owner Is an Individual Company (not a lending institution or dealer)	11.095
Legal Owner Is a Dealer Out of Business (as determined by DMV’s records)	11.100
Letters of Administration	11.105
Letters Testamentary	11.110
Multiple Transfers.....	11.115
Nonresident Military (NRM) Vehicle Owners.....	11.120
Notice of Transfer and Release of Liability (NRL/IRL) (REG 138)	11.125
Parking or Toll Violations	11.130
Repossessions—California—Registered Vehicles	11.135
Repossessions—Legal Owner not on Record	11.140
Repossessions—New Vehicles.....	11.145
Rollbacks.....	11.150
Rush Titles	11.155
Stolen or Embezzled Vehicle.....	11.160
Title Only	11.165
Transfer on Death (TOD) Beneficiary.....	11.170

CHAPTER 11

TRANSFERS

TABLE OF CONTENTS

Transfer Only.....	11.175
Transfer to “Estate of”	11.180
Transfer Without Probate.....	11.185
Trust Transfers	11.190
U.S. Customs Sales	11.195
Warehouse Receipts Act.....	11.200

CHAPTER 11

TRANSFERS

11.000 Introduction (CVC §5600)

A transfer is a change in the ownership of a California registered vehicle. Basic transfer requirements apply to various types of transfers. However, some transfers require additional documentation as outlined in this chapter.

The Department of Motor Vehicles (DMV) will not withhold any application for transfer made in the manner required by statute or if the application on its face appears to be genuine and regular, unless requested to do so by a law enforcement agency **or** when a federal court order or California restraining order has been filed with DMV within two years prior thereto (CVC §§6051 and 5911).

11.005 Attachment Sales (CVC §5909)

For a constable's, sheriff's, marshal's, or other attachment sale, the attachment against the registered owner **does not** affect the interest of the legal owner (lienholder) and the attachment against the lienholder **does not** affect the interest of the registered owner. **In addition to the basic transfer, nonresident vehicle, or miscellaneous original registration requirements, the following must be submitted:**

- If available, the California Certificate of Title or nonresident title released by the lienholder, if other than the judgment debtor.
- If evidence of mailing to the lien holder is submitted **and** the lienholder **has not** responded within 30 days, a Statement of Facts (REG 256) form may be submitted in lieu of the lienholder's release.
- The original or a certified copy of the Certificate of Sale issued by the attaching officer which contains the name and address of the purchaser, the vehicle identification number (VIN) and make, the names of the creditor or defendant (this name must match DMV's record), the plaintiff, and the defendant.
- A Verification of Vehicle (REG 31) form if there **is not** a prior California vehicle record.

NOTE: When a U.S. Government Form Standard 97 is the attachment document, it disposes of both the registered and lienholder's equity.

- All applicable fees due.
- The release of the registered owner on the title is not required. In lieu of registered owner's signature, "Clearing CVC §5909" must be written on the title.

11.010 Bankruptcy Sales—Trustee or Receiver (CVC §5909)

Bankruptcy Trustee—The person appointed by the bankruptcy court to take charge of the debtor estate, to collect assets, to bring suit on the debtor's claims, to defend actions against it, and to otherwise administer the debtor's estate.

11.010 Bankruptcy Sales—Trustee or Receiver, *continued*

Bankruptcy Receiver—The person appointed by the court to preserve the property of a debtor pending an action against the debtor or applying the property in satisfaction of a creditor’s claim. The receiver represents the court and all parties of interest in a litigation, property, or funds entrusted to that person.

In addition to the procedures listed in the Basic Transfer Requirements section in this chapter or Chapter 12 for nonresident vehicles, the following must be submitted:

A certified copy of the trustee’s bond, the court order appointing a receiver, **or** a court order confirming the sale of the vehicle to the applicant must be submitted with the application.

- Documents signed by the trustee or receiver for the debtor wherever the debtor’s signature is required. The releasing signatures of owners other than the debtor **must** be obtained.
- For new vehicles belonging to a bankrupt California dealer:
 - An Application for Registration of New Vehicle (REG 397) form **or** the manufacturer’s certificate of origin or factory invoice (original or certified copy) issued or endorsed to the dealer
 - A Vehicle/Vessel Transfer and Reassignment Form (REG 262) to the applicant.
 - An Application for Title or Registration (REG 343) form in the applicant’s name.

11.015 Basic Transfer Requirements (CVC §§5603, 5751, and 5753)

For a basic transfer of a California-registered vehicle, the following must be submitted:

The California Certificate of Title properly endorsed for transfer as follows:

Line 1—The registered owner(s) of record **must** release interest:

<i>If the Vehicle Is Registered to</i>	<i>The Following Is Required</i>
Co-owners joined by “and” (a slash [/] symbol between the names)	The signature of each owner.
Co-owners joined by “or” or by “and/or”	The signature of only one owner.
Co-owners with a Joint Tenants with Right of Survivorship “JTRS” designation	The signature of each owner.
A business entity	The name of the business entity and an authorized representative’s countersignature.
An individual doing business as (dba)	The signature of the individual.
A sole owner(s) (there is no legal owner (lienholder) of record)	The signature of the sole owner(s). NOTE: You may accept the signature of a sole owner on line 2 instead of line 1.
A trust with a trustee listed	The signature of the trustee for the trust.
A trust without a trustee listed	The signature of the trustee for the trust. Require a Statement of Facts (REG 256) form certifying to his/her appointment as trustee for the trust.

11.015 Basic Transfer Requirements, *continued*

NOTE: A Vehicle/Vessel Transfer and Reassignment Form (REG 262) is acceptable in lieu of the registered owner’s signature(s) to release on line 1 of the title or on the Application for Duplicate or Paperless Title (REG 227) form.

Line 2—The lienholder of record, if any, must release interest on line 2 or a Lien Satisfied/Legal Owner/Title Holder Release (REG 166) form **unless** the name of the lienholder is to remain the same for the new owner, in which case, enter “Same” on Line 2 and reenter the name and address of the lienholder on the back of the title. If a California titled vehicle is two model years old or newer, a lien release on REG 227, REG 166, or any other type of lien release are not acceptable. A duplicate title must be requested by the lienholder of record.

NOTE: Refer to Chapter 23 for unavailable legal owner procedures.

Odometer Mileage Disclosure—Must be entered on a complying title or on a Vehicle/Vessel Transfer and Reassignment Form (REG 262). Refer to Chapter 5 for odometer information.

New Registered Owner Section—The name, address, **and** driver license or identification card (DL/ID) number for **each** new registered owner **must be** entered on the appropriate lines.

NOTE: If an owner has not been issued a California DL/ID card, their out-of-state DL/ID number, if any, is acceptable. Print the out-of-state DL/ID number and state of issuance in the upper-right corner of the face document or application. The out-of-state DL/ID number **cannot** be keyed, but will be microfilmed with the title.

The word “None” should be entered for persons who have not been issued a DL/ID card from California or any other state.

Purchase Price and Purchase Date—The purchase price or the word “Gift” or “Trade” **must be** indicated. For a gift or trade, the new owner **must** indicate the vehicle’s estimated value on a Statement of Facts (REG 256) form.

New Legal Owner/Lienholder Section—The name and address of the new legal owner (lienholder), if any, must be entered on the appropriate lines. The word “None” should be entered when there is no lienholder.

NOTE: Applications submitted by a dealer lacking this information **must be** returned to the dealer.

11.015 Basic Transfer Requirements, *continued*

- A smog certification, if appropriate, or evidence of exemption.
- The transfer fee, any other fees due, and use tax or evidence of exemption. Refer to Chapter 4 for use tax information. The transfer fee **must be** paid within 30 days of the date of transfer to avoid a late penalty. If the customer pays the transfer fee on time, they may pay the use tax without penalty when the application clears.

NOTE: When a transferee acquires a vehicle and the registration subsequently expires, the transferee has 20 days from the date of transfer to pay renewal fees without penalty (CVC §9553).

- A Certificate of Excise Tax Clearance (BOE 1138) form for commercial vehicles powered by a fuel other than gasoline or diesel. For additional information see Chapter 13.
- A Report of Sale-Used Vehicle (REG 51) form, if sold by a dealer. The dealer section of the title is completed for each dealer sale (wholesale or retail). For additional information see the Transfers Involving Dealers or Lessor-Retailers section in this chapter.
- **Non-Transfer Changes to Registered Ownership**—Some types of registered owner changes **are not** transfers, but **require** the owner’s signature(s). Process these as no-fee changes. A new Certificate of Title is issued. Examples of changes:

<i>From</i>	<i>To</i>
John “ or ” Mary Doe	John “ and ” Mary Doe
John “ or ” Mary Doe	John “ and ” Mary Doe, JTRS
John Doe dba JD Electric Co.	John Doe

Transfer of CVRA Vehicles—Refer to Chapter 13.

Transfer of Lemon Law/Warranty Return Vehicles—Refer to Chapter 2.

11.020 California Welfare and Institutions Code Sales (CW&IC §148)

The *California Welfare and Institutions Code* (CW&IC) contains a provision for disposing of certain properties of inmates of institutions.

The following must be submitted:

- The California Certificate of Title **or** an Application for Title or Registration (REG 343) form and the nonresident title as appropriate.
- In lieu of the registered owner’s signature(s) on the title, accept an affidavit authorizing the sale which contains a description of the property sold, the name of the buyer, and a statement indicating compliance with the provisions of the CW&IC concerning notices.

11.020 California Welfare and Institutions Code Sales, *continued*

- A release by the legal owner (lienholder), if any, on the California Certificate of Title **or** on a Lien Satisfied/Titleholder Release (REG 166) form.
- A Verification of Vehicle (REG 31) form, **unless** there is a vehicle record on the database **or** the California Certificate of Title is submitted.
- The odometer mileage disclosure on a complying title **or** on the REG 262, as appropriate.
- A smog certification, if appropriate.
- The fees due.

11.025 Conservators or Guardians (CVC §5909)

When the court appoints a conservator or guardian to administer the estate of a minor or an incompetent person, the court issues appointment letters to the conservator/guardian. Proceedings are generally governed by provisions of the *California Probate Code*. The court regulates and controls the duties performed by the conservator/guardian in this capacity.

A **conservator** manages the affairs of an individual who lacks the capacity to manage their own affairs. A **guardian** is responsible for an individual, usually a minor, and manages that individual's affairs.

- When the conservator or guardian is a Public Administrator, a Deputy Administrator may act on the Public Administrator's behalf.
- When an individual named in the appointment letters is not identified in the letters as a Public Administrator, that person shall act or that person may grant power of attorney to another individual to act on his or her behalf.
- When the conservator is a corporation such as a bank, any officer of the corporation may act on behalf of the corporation.

In addition to the procedures listed in the Basic Transfer Requirements section in this chapter, the following must be submitted:

- The California Certificate of Title with an endorsement showing the name of the registered owner and countersigned by the conservator or guardian.

EXAMPLE: John Doe by Jane Smith, Conservator

- The appointment letters certified by the clerk of the court, or a photocopy of the certified copy.
- Use tax or in lieu of tax, a Certificate of Vehicle, Mobilehome, or Commerical Coach Use Tax Clearance (BOE 111) form issued by the Board of Equalization and a Statement of Facts (REG 256) form.

11.030 Consul Corps Vehicles

Consul Corps vehicles are registered through the federal government. When a prior Consul Corps vehicle is transferred, the application is processed as an original nonresident application. In addition, a Certificate of Title or a Certificate of Authority to Sell a Vehicle issued by the U.S. Department of State must be submitted.

Refer Consul officials with questions regarding the federal program to:

Diplomatic Motor Vehicle Office
Office of Foreign Missions
U.S. Department of State
3507 International Pl. NW
Washington, DC 20008
Telephone: (202) 895-3532

11.035 Court Action Judgement (CVC §5909)

A judgment is the final determination of the rights of the parties in an action or proceeding (*California Code of Civil Procedures* §577). A judgment may also be pending a final decision such as an Interlocutory Decree of Divorce issued prior to the Final Judgment of Dissolution.

11.040 Dealers or Lessor-Retailers

California dealers and lessor-retailers have 30 days from the date of sale to submit on the Report of Sale–Used Vehicle (REG 51) form the transfer application and fees for used vehicle without penalties (CVC §9553(c)(1)) and/or administrative service fee (ASF). This includes nonresident vehicles and vehicles on which the registration expired while in dealer inventory.

NOTE: This **does not** apply to vehicles with penalties due or accrued **prior** to the date of sale to the dealer or lessor-retailer (CVC §9553(c)(2)). Penalties continue to accrue unless the fees and penalties due are posted by the dealer.

In addition to the procedures listed in the Basic Transfer Requirements section in this chapter, the following must be submitted:

- The dealer's endorsement on the California Certificate of Title. Each dealer's name **and** a countersignature or initials **must** be entered for dealer reassignments on the title. When there is insufficient room for all dealer transfers in the dealer reassignment section, a Vehicle/Vessel Transfer and Reassignment Form (REG 262) is required. The dealer name and number should be included on the REG 262.
- The dealer's Report of Sale–Used Vehicle (REG 51) form. A REG 51 **is not** required to register a vehicle taken in trade by the dealership, but **is** required if the dealer registers the vehicle to their leasing division rather than to the dealership.

11.040 Dealers or Lessor-Retailers, *continued*

Sale of Used Vehicle to be Altered—A dealer selling a used vehicle that will be altered before the transfer application is processed may be relieved of responsibility by processing the transfer as a “Customer Demands Title.” If the vehicle will be registered within 30 days of the sale date, the customer copy of the REG 51 may be displayed in the vehicle. However, the dealer then assumes responsibility for completion of the application.

11.045 Dealer Out of Business Registration Process

Dealer Out of Business (DOB) and/or Customer Claims Against Dealer’s Bond.

A DMV investigator/inspector picks up any pending applications when a dealer goes out of business. If the investigator/inspector has all or part of the registration documents, they will forward the documents and all pertinent data to DMV.

NOTE: In some cases, a person who knows the dealer where they purchased a vehicle is out of business will contact a field office. In such cases, advise the customer of the requirements. It is **not** necessary to contact Investigations.

Paperwork Not Available—The applicant must:

- For a **new vehicle**, complete an Application for Title or Registration (REG 343) form.
- For a **used vehicle**, submit the usual transfer requirements.
- For a **nonresident vehicle**, submit the usual nonresident vehicle registration requirements.
- Attach a copy of the sales contract **and** the Investigations letter, if received, to the application.

NOTE: A copy of the sales contract, a duplicate Manufacturer’s Certificate of Origin, **or** a motor vehicle bond may be accepted for **new** vehicles. A motor vehicle bond may be required for **used** or **nonresident** vehicles, if proper ownership documents **cannot** be obtained. Refer to the Motor Vehicle Ownership Surety Bond.

11.050 Disabled Veteran (DV) License Plates

In addition to the procedures listed in the Basic Transfer Requirements section in this chapter, when a vehicle with DV License Plates is transferred, the following must be submitted:

- The DV License Plates from the vehicle.
- Full-year registration fees, transfer fee, and any other fees due. Refer to the information below if the vehicle is a trailer coach.
- Assign a 12-month registration year from the date of sale by the disabled veteran.
- Issue new license plates and stickers.

11.050 Disabled Veteran (DV) License Plates, *continued*

Trailer Coaches—Disabled veterans pay a reduced vehicle license fee (VLF) for trailer coaches. If ownership is transferred to someone not eligible for the DV License Plate fee exemption, the balance of the annual VLF prorated from the month of transfer to the end of the registration year **is due** in addition to any other fees.

NOTE: Prorated VLF may be due or refundable when a nonqualified joint owner affecting the percentage of ownership is added or deleted.

11.055 Duplicate Titles

A properly endorsed Application for Duplicate or Paperless Title (REG 227) form may be accepted for any transfer of a California-registered vehicle when the California Certificate of Title is lost, stolen, missing, or illegible/mutilated. However, the California Certificate of Title is the only document that can be used to release the lien of a vehicle two model years old or newer.

11.060 Errors/Erasures on the Certificate of Title

A Statement of Error or Erasure (REG 101) form **is** required for any erasure and/or lined out information on the California Certificate of Title. For example, if an individual's signature appears on the title in error and is lined out, a REG 101 **must be** completed by that individual explaining the error.

A REG 101 **is not** required if the name of the current registered owner or new purchaser is printed or signed on the dealer endorsement line.

Dealers and financial institutions may certify to errors in signatures, including their own, made on the California Certificate of Title by a representative of the dealer or financial institution. For errors made by other than a dealer or financial institution, the REG 101 **must be** completed and signed by the individual whose signature appears on the title in error.

EXCEPTION: When a printed name or address is lined out, the individual who made the entry in error may complete the REG 101.

11.065 Estate Valued at \$150,000 or Less (*California Probate Code (CPC) §§7660 and 13100*)

In addition to the Basic Transfer Requirements listed in this chapter:

<i>If the Personal Property of a Decedent Is</i>	<i>And the Total Estate</i>	<i>Then</i>
Being liquidated under the provisions of the CPC	Does not exceed \$50,000	A Statement of Facts (REG 256) form, completed and signed by the public administrator authorized to sell or dispose of the property must be submitted.
	Exceeds \$50,000 but does not exceed \$150,000	A court order, authorizing a public administrator to sell personal property belonging to a decedent must be submitted.
Not being liquidated under the provisions of the CPC	Does not exceed \$150,000	An Affidavit For Transfer Without Probate California Titled Vehicle or Vessels Only (REG 5) form, completed and signed by the heir, provided 40 days have elapsed since the registered owner’s date of death must be submitted. NOTE: The REG 5 cannot be submitted for vehicles not titled in California.

- The title document may be endorsed for release by the public administrator as the administrator of the deceased owner’s estate.
- A copy of the court order authorizing the distribution of property must accompany the transfer application. The court order **does not** have to identify the vehicle.

11.070 Exempt Vehicles (CVC §5600)

To transfer an exempt agency vehicle, **the following must be submitted:**

- The Certificate of Title properly endorsed for transfer.
- A Verification of Vehicle (REG 31) form, if the number of axles does not show on the title of a commercial vehicle.
- A weight certificate, if the weight code is missing on the title of a commercial vehicle.
- A Statement of Facts (REG 256) form stating the motive power, if the title does not show the motive power .
- An Exempt License Plate Request (REG 5050) form if the vehicle is being transferred to another exempt agency.
- A permit to transfer issued by the Department of General Services, the Department of Transportation, **or** the California State University and Colleges, as appropriate for state-owned vehicles.

11.070 Exempt Vehicles (CVC §5600), *continued*

NOTE: Accept the release by Department of Transportation for vehicles registered to the Department of Public Works, Division of Highways or Equipment.

- The exempt license plates, unless the vehicle is being transferred to another exempt agency.
- Fees as follows:
 - **Exempt Agency:** Waive fees and penalties due prior to purchase by the exempt agency. Collect fees for duplicates and use tax, if due.
 - **Exempt to Fee Paid:** Collect full-year fees and use tax, if due. A Certificate of Non-Operation (REG 102) form **is not** required if fees are paid within 20 days of purchase.
- The odometer mileage disclosure on a complying title **or** on the Vehicle/Vessel Transfer and Reassignment Form (REG 262), as appropriate.
- A smog certification, if appropriate.
- Assign a vehicle license fee (VLF) class based on the applicant's purchase price.
- Assign a registration expiration date 12 months from date fees became due, if not transferring to another exempt agency.
- Issue license plates and stickers, as required.

Transfer Only (CVC §4452)—In addition to the procedures listed in the Basic Transfer Requirements section in this chapter, the following must be submitted:

- Statement of Facts (REG 256) form for transfer only.
- Planned Non-Operation (REG 102) form.

NOTE: A smog certification **is not** required.

Transfer from Exempt to Exempt—Follow the Basic Transfer Requirements listed in this section to process a transfer from one exempt agency to another. A new REG 5050 is required from the purchasing exempt agency.

Civil Air Patrol Vehicles—Refer to Chapter 14.

Transfer of California Registered Vehicle to an Exempt Agency:

- In addition to the basic transfer requirements, a transfer to an exempt agency requires a completed and signed Exempt License Plate Request (REG 5050) form.
- Any license plates on the vehicle must also be surrendered since exempt plates will be issued.

Transfer of Exempt Vehicle to a Non-Exempt Buyer:

In addition to the basic transfer requirements:

- State-owned vehicles require a permit to transfer issued by the Department of General Services or the Department of Transportation or the California State Universities and Colleges, as appropriate.
- Full-year registration fees must be submitted in addition to the transfer fee and any other fees due.
- Exempt plates must be surrendered because regular series plates will be issued.

11.075 Foreclosure or State Controller Sales (CVC §5909)

In addition to the procedures listed in the Basic Transfer Requirements section in this chapter, the following must be submitted:

- A Verification of Vehicle (REG 31) form if there **is no** prior California vehicle record.
- A Certification of Foreclosure or a Certificate of Sale from the Controller which:
 - Describes the vehicle by make and VIN.
 - Includes a statement that the requirements of the contract and of law (notification, posting, and advertising) have been met.
- Do **Not** require the registered owner’s release on the title. In lieu of the registered owner’s signature, write “Clearing CVC §5909.”

NOTE: If the foreclosure was made by other than the legal owner (lienholder), the Certificate of Title **must** contain the lienholder’s release or a Lien Satisfied/Titleholder Release (REG 166) form **must be** submitted.

11.080 Indian-Owned Vehicles

California Indian Tribes and/or Tribal Members (U.S. Code, Title 28, §1360(b)) Vehicles owned or leased by the California Indian tribe and/or tribal member living on a federal Indian reservation or rancheria located in California and operated on public roads on or off the reservation or rancheria are exempt from the VLF portion **only** of California registration fees. The exemption **must be** established annually upon renewal.

In addition to the procedures listed in the Basic Transfer Requirements section in this chapter, the following must be submitted:

An Indian Certification on the Miscellaneous Certifications (REG 256A) form completed and signed by a representative of the tribe or an official of the Bureau of Indian Affairs, U.S. Government. A new REG 256A form **is required** annually upon renewal.

Federally-Recognized Indian Tribes (CVC §9104.5 and CR&TC §10781.1)

Vehicles registered to a federally-recognized Indian tribal name and used exclusively within the boundaries and jurisdiction of the tribe are exempt from all fees, other than the registration fee (without the miscellaneous city/county fees). The fee exemption **must be** established annually upon renewal.

In addition to the procedures listed in the Basic Transfer Requirements section in this chapter, the following must be submitted:

- A letter written on Indian tribal letterhead and signed by an authorized tribal counsel member, such as the tribal chief or secretary, which identifies the vehicle and states it is owned by and being registered in the federally-recognized Indian tribal name and will be used exclusively within the boundaries of Indian tribal land, including any incidental operation on highways within those boundaries.
- The registration fee, if registration renewal is required at the time of transfer. The application is exempt from all other fees.

11.080 Indian-Owned Vehicles, *continued*

Transfer from Indian-Owned to Someone Else—In addition to the procedures listed in the Basic Transfer Requirements section in this chapter, the following must be submitted:

VLF from the month of transfer or date of first operation by the buyer, the transfer fee, and any other fees due.

11.085 Leased Vehicles (CVC §4453.5)

Leased vehicles **must be** registered in the names of both the lessor and the lessee. The lessor is designated as LSR; the lessee is designated as LSE. Certificates issued in 1985 or prior may show the lessee as “care of (c/o)” (the “c/o” was part of the address field).

If the input document does not have a designated space for the lessee address, the lessor **must** provide the lessee’s address on a Statement to Record Ownership (REG 101) form whenever it differs from the registered owner address shown on the application documents. If a REG 101 is completed, it **must be** the top document.

NOTE: An application on a report of deposit of fees (RDF) solely because the lessee address space on the title or REG 101 is blank must not be returned. Assume the registered owner address shown is the lessee’s.

To Change The Legal Owner (Lienholder) Only—The properly endorsed title or an Application for Duplicate or Paperless Title (REG 227) form and the appropriate fees are required. If a California-titled vehicle is two model years old or newer, a lien release on a REG 227, Lien Satisfied/Legal Owner/Title Holder Release (REG 166) form, or any other type of lien release are no longer acceptable. The lienholder of record must apply for a replacement title prior to changing to a new lienholder.

Lessor-Retailer (CVC §373) Sales—A Report of Sale-Used Vehicle (REG 51) form **is not** required for the sale of a previously leased or rented vehicle if sold to one of the following:

- The lessee of the vehicle, or the person who, for a period of at least one year, has been designated by the lessee as the driver of the vehicle covered by a written lease agreement.
- A transfer smog is not due, unless the biennial smog is due.
- If the lessor collects use tax when the lease is terminated, a Statement of Facts (REG 256) form completed and signed by the lessor stating the payoff amount, amount of tax collected, and the Board of Equalization tax identification number is required.
- A buyer for agricultural, business, or commercial purposes.
- A government, governmental agency, or instrumentality.

11.085 Leased Vehicles, *continued*

A REG 51 is required if the vehicle is sold by a dealer or sold to anyone other than those listed above.

Change of Lessee Only— In addition to the procedures listed in the Basic Transfer Requirements section in this chapter, the following must be submitted:

- The signature of the **lessor** on the appropriate lines of the front and back of the Certificate of Title.
- The new owner section on the back of the title completed to show the names of both the lessor and new lessee.
- A Statement to Record Ownership (REG 101) form, as explained above.
- A smog certification , because the person in possession of the vehicle has changed.
- A transfer fee, in addition to any other fees due. Use tax **is not** due.
- The lessee’s signature alone for release of ownership. **All** leased vehicle transfers **require** the lessor’s release on line 1 on the California Certificate of Title.
- Odometer mileage disclosure, if appropriate. The same employee cannot sign for both the lessor, as seller, and the lessor, as buyer.
- A Report of Sale–Used Vehicle (REG 51), if applicable.
- A transfer fee in addition to any other fees to change the lessee. Use tax **is not** due.

Change from Lessor to new buyer:

- A smog certification, if applicable. A Smog Certification may not be required:
 - when the vehicle is transferred between the lessor and the lessee, or
 - the person who has been the lessee’s operator for at least one year unless a biennial smog certification is due

NOTE: See Section 11.010 for additional information

- A Report of Sale–Used Vehicle (REG 51), if applicable.
- A transfer fee in addition to any other fees.
- If the lessee sold the vehicle to a third party, two transfer fees are due in addition to any other fees due.

Use tax is due. If the lessee:

- Buys the vehicle at the end of the lease, use tax is based on the balance owed at the time of lease pay-off.
- Sells the vehicle within 10 days, use tax is due only from the third party.
- Sells the vehicle after 10 days, use tax will be due from the lessee and the third party

11.090 Legal Owner (Lienholder) Transfers (CVC §5603)

The following must be submitted:

- The Certificate of Title endorsed as follows:

<i>If the Transaction Is a</i>	<i>The Certificate of Title Must Be Completed as Follows</i>
Change of lienholder and the registered owner(s) remains the same	<ul style="list-style-type: none"> • Signature of the lienholder on line 2. When a Lien Satisfied/Title Holder Release (REG 166) form is used to release the lienholder’s interest, write “L/S att” on line 2. <p>NOTE: If a vehicle is two model years old or newer, the California Certificate of Title is the only document that can be used to release the lien.</p> <ul style="list-style-type: none"> • The name and address of the new lienholder entered on the back of the title. <p>NOTE: The registered owner’s signature is not required on the title. For change of lienholder in conjunction with a goldenrod conversion.</p>
Sole owner(s) adding a lienholder	<ul style="list-style-type: none"> • Signature of the sole owner(s) on line 2. • The name and address of the new lienholder on the back of the title. <p>NOTE: If a sole owner releases on an Application for Duplicate or Paperless Title (REG 227) form, notarization is not required.</p>
<p>NOTE: If the registered owner signs line 1 in error, they must complete a Statement of Error or Erasure (REG 101) form or complete and sign the new registered owner section on the back of the title. In such cases, write “no change of registered owner” next to the signature on line 1.</p>	

- Other documentation, as required.
- A transfer fee and any other fees due.

11.095 Legal Owner Is an Individual Company (not a lending institution or dealer)

When an individual or a company that is not a lending institution or dealer is shown as the legal owner of record and that individual cannot be located for a release or lien satisfied, in addition to all transfer or nonresident requirements, the following are required:

- A Statement of Facts (REG 256) form completed by the applicant stating the current retail value of the vehicle and what efforts were made to obtain the release.
- Evidence of the applicant’s attempt to obtain the legal owner’s release in the form of a certified letter returned to the sender, unclaimed and unopened.

11.095 Legal Owner Is an Individual Company (not a lending institution or dealer), *continued*.

NOTE: If the letter was delivered, but a response was not received, the postal receipt acknowledging receipt of the letter by the addressee is acceptable. Sufficient time (at least 30 days) must have elapsed to give the recipient time to respond.

- A Motor Vehicle Bond for the value of the vehicle.
- All fees due.

11.100 Legal Owner Is a Dealer Out of Business (as determined by DMV’s records)

When a dealer is shown as the legal owner/lienholder of record and cannot be located, the owner must contact the local DMV field office to:

- Determine if the dealer is out of business (DOB)
- AND**
- Obtain the DOB owner’s name and telephone number shown on DMV records.

If the input document does not have a designated space for the lessee address, the lessor **must** provide the lessee’s address on a Statement to Record Ownership (REG 101) form whenever it differs from the registered owner address shown on the application documents.

The owner must contact the local DMV field office:

DOB Contact Chart

<i>If</i>	<i>Then</i>
The DOB owner can be located	Obtain a release on the original title or Application for Duplicate Title (REG 227) or a Lien Satisfied/Title Holder Release (REG 166).
the DOB owner cannot be located	Evidence of the applicant’s attempt to obtain the owner’s release or lien satisfied in the form of a certified letter returned to the sender, unclaimed and unopened, must be submitted
The letter was delivered, but a response was not received	The postal receipt acknowledging receipt of the letter by the addressee must be submitted. Sufficient time (at least 30 days) must have elapsed to give the recipient time to respond.

- Statement of Facts (REG 256) form stating the current retail value of the vehicle and what efforts were made to obtain the release.
- A Motor Vehicle Bond for the value of the vehicle **must** be submitted.
- Any fees due.

11.100 Legal Owner Is a Dealer Out of Business (as determined by DMV’s records), *continued*

- If you have difficulty locating the legal owner/lienholder to obtain a release, the Financial Institution Listing on the DMV website www.dmv.ca.gov is an alphabetized listing of banks, credit unions and financial/lending institutions, developed to help locate the legal owner/lienholder shown on the vehicle record.
 - This information can also be obtained on the FDIC website, www.fdic.gov and search for Bank/Institution Directory.
- When the legal owner/lienholder **cannot** be located for a release or lien satisfied, in addition to all transfer or nonresident requirements, the following are required:
 - Statement of Facts (REG 256) form stating the current retail value of the vehicle and what efforts were made to obtain the release.
 - Evidence of the applicant’s attempt to obtain the legal owner’s release or lien satisfied in the form of a certified letter returned to the sender, unclaimed and unopened.

11.105 Letters of Administration (CVC § 5909)

When a person dies without leaving a will and an interested party (usually an heir) files a petition with the Superior Court, the court appoints an administrator or administratrix to administer the estate of the deceased and dispose of any property. The appointed administrator is given Letters of Administration by the court.

The administrator **may not** grant power of attorney to another individual to act on their behalf for the estate. However, when the public administrator is the administrator of an estate, a deputy public administrator may countersign for the public administrator.

Continue to follow current procedures in the *Vehicle Industry Registration Procedures Manual* and/or Vehicle Industry News memos for the type of application.

In addition to the documents normally required for the application for administrator/executor, the following must be submitted:

- A copy of the California or out-of-state court-certified Letters Testamentary, Letters of Administration, or Letters of Administration with Will Annexed naming/appointing the individual as the administrator/executor of the decedent’s will/estate for each deceased registered owner.
- Documents signed by the administrator/executor for the registered owner (e.g., Application for Replacement Plates, Stickers, Documents [REG 156] form, Application for Duplicate or Paperless Title [REG 227] form, Notice of Change of Address [DMV 14] form, etc.). **EXAMPLE:** *William Smith*, Executor of the Estate of John Doe, Deceased.

11.105 Letters of Administration, *continued*

- If the registered owner had disabled or special recognition license plates that are subject to mandatory surrender rules, the license plates must be surrendered if the application is presented within the mandatory surrender period (i.e., 60 days or upon the expiration of the vehicle registration, whichever occurs first).

EXCEPTIONS:

- A surviving spouse may retain the special recognition license plates referenced below on the vehicle or reassign them to another vehicle registered to the spouse until the spouse is deceased.
- A surviving spouse or, in the absence (death) of the surviving spouse, an eligible member of the decedent’s family may retain one of the special recognition license plates referenced below (except Pearl Harbor Survivor) as a family heirloom. New license plates must be assigned to the vehicle with the appropriate type license.
- The California Certificate of Title signed for the deceased owner and countersigned by the administrator/administratrix.

EXAMPLE: Lynn Smith, Administratrix of the Estate of Richard Roe

- The original, certified copy, or photocopy of certified copies of the Letters of Administration. Letters of Administration issued by an out-of-state court are acceptable.

Other Letters Acceptable for Transfer:

- Letters of Administration with Will Annexed may be accepted for the same purposes as Letters of Administration or Letters Testamentary. Letters of Administration with Will Annexed provide that the person designated has the same authority as the executor of a will.
- Letters Special Administration may be accepted for transferring vehicle ownership when they state that the appointee has “full authority” or “limited authority” and are supported by court documentation specifically covering the transfer of a property interest, or “no authority without a specific court order” and are supported by that court order.

When presented with Letters Special Administration indicating other than “full authority,” carefully inspect the letter and supporting documents to ensure that they cover the transfer of the vehicle.

- Use tax, if applicable.
- Appointment letters are not accepted **unless** they are certified to be a true copy by the clerk of the court. Any other entries on the documents, such as an “Endorsed” rubber stamp, **do not** constitute certification and **are not** acceptable.

11.105 Letters of Administration, *continued*

The designated administrator/executor of an estate may perform all actions that the deceased person(s) could have performed regarding vehicle/vessel applications, including, but not limited to, changing an address, registering a vehicle/vessel, and obtaining duplicates and substitutes.

The letter and supporting documents should be carefully inspected to ensure that they cover the transfer of the vehicle, when presented with Letters Special Administration indicating other than “full authority.”

Special recognition license plates that may be retained by the surviving spouse:

- Firefighters
- Legion of Valor
- Pearl Harbor Survivor (cannot be retained as an heirloom)
- Congressional Medal of Honor
- Purple Heart Recipient
- Former Prisoner of War (POW)

11.110 Letters Testamentary (CVC §5909)

An executor or executrix is the person named in a will to carry out the terms of the will. Upon petition, the Superior Court will verify the appointment of the executor in the will and issue Letters Testamentary which give the executor the right to administer the estate of the deceased and to dispose of any property. The executor **may not** grant power of attorney to another individual to act in his behalf for the estate.

In addition to the procedures listed in the Basic Transfer Requirements section in this chapter, the following must be submitted:

- The California Certificate of Title signed for the deceased owner and countersigned by the Executor/Executrix.

EXAMPLE: Joe Smith, Executor for the Estate of Mary Roe

- The original, a certified copy, or photocopy of the certified copy of the Letters Testamentary. Letters Testamentary issued by an out-of-state court are acceptable.

Other Letters Acceptable for Transfer:

- Letters of Administration with Will Annexed may be accepted for the same purposes as Letters of Administration or Letters Testamentary. Letters of Administration with Will Annexed provide that the person designated has the same authority as the executor of a will.
- Letters Special Administration may be accepted for transferring vehicle ownership when they state that the appointee has “full authority” or “limited authority” and are supported by court documentation specifically covering the transfer of a property interest, or “no authority without a specific court order” and are supported by that court order.

11.115 Multiple Transfers (CVC §5750)

A multiple transfer is when a vehicle is sold more than once (other than dealer to dealer) without a new title being issued.

In addition to the procedures listed in the Basic Transfer Requirements section in this chapter, the following must be submitted:

- The name, address, and signature for all buyers on the California Certificate of Title. However, a signed Vehicle/Vessel Transfer and Reassignment Form (REG 262) and the printed name of all buyers on the Certificate of Title may be accepted in lieu of the written signature of **previous** buyers on the title.

IMPORTANT: The current buyer(s) to whom ownership of the vehicle is being transferred **must sign** the Certificate of Title.

- The fees due. A transfer fee is due for **each** buyer. However, only the last transfer is subject to a transfer penalty. Use tax paid by a previous buyer cannot be used for any fees due for a subsequent buyer.
- Identify the chain of ownership by writing “I,” “II,” etc., in front of each buyer’s name on the title **and** the REG 262.

11.120 Nonresident Military (NRM) Vehicle Owners

Transfer from a NRM servicemember or their nonresident spouse to another NRM owner, in addition to the procedures listed in the Basic Transfer Requirements section in this chapter, the following must be submitted:

- A Nonresident Military Exemption Statement (REG 5065) form.
- Verify the new NRM owner or nonresident spouse’s military ID.

11.125 Notice of Transfer and Release of Liability (NRL/IRL) (REG 138) (CVC §§5602 and 5900)

The registered owner or the person in physical possession of a vehicle being sold/transferred **must** submit a **completed** REG 138 to DMV within five calendar days of the sale (transfer). This can be done using a printed REG 138 or online, using the Internet Notice of Release of Liability (IRL) on the DMV Internet website. DMV **cannot** update the vehicle record if the transfer date is missing.

Owners who transfer and deliver possession of a vehicle and a properly endorsed Certificate of Title to the purchaser are **not** subject to civil or criminal liability for the parking, abandonment, or operation of the vehicle by another, provided the owner has delivered or mailed a REG 138 to DMV or has submitted to DMV an IRL or the documents and fees required to transfer ownership of the vehicle to the new owner.

11.125 Notice of Transfer and Release of Liability (NRL/IRL) (REG 138), *continued*

When a REG 138 is received, date stamp the upper-left corner **above any printing** and forward it to:

Department of Motor Vehicles
Incoming Mail Unit, MS A235
PO Box 942859
Sacramento, CA 94259-0001

IRL—Sellers may submit an IRL on the DMV website.

Expedite Update of NRL/IRL Procedure—Use this procedure when a customer submitted **an NRL or IRL**, but the vehicle record **was not** updated, and as a result, the customer is receiving parking or toll violations and/or delinquent registration notices.

The following must be submitted:

- A copy of the original REG 138.
- A complete IRL transaction receipt.
- A new REG 138.

11.130 Parking or Toll Violations (CVC §§4760, 4764, and 22651.7)

Parking or toll violations on file prior to the transfer date are removed from the vehicle record when a registered owner transfer occurs.

NOTE: DMV **must** issue a receipt for the parking fees when the application contains parking violation fees. The parking fees are transmitted to the courts and the receipt is issued to the applicant to be used as proof of payment to reduce possibility of vehicle impoundment or immobilization (CVC §4760).

Family/Trust Transfer With Parking/Toll Violations

Transfers of vehicle ownership from the registered owner to their revocable trust or specific family members **cannot** be completed when unpaid parking and/or toll violations are on the vehicle record. Transfers **out** of a revocable trust are not impacted. All violations shown on the record must be cleared by the issuing parking/toll agency or paid to the DMV and all other required fees and documents submitted to complete the transfer of ownership.

NOTE: Affected family members are the registered owner's natural or legally-adopted parent, grandparent, child, grandchild, spouse, domestic partner, and siblings.

When the application contains a Statement of Facts (REG 256) form declaring a family transfer exemption from use tax and/or smog inspection, or the transfer is to the revocable trust of the current registered owner, submit the application to DMV for processing.

11.135 Repossessions—California—Registered Vehicles (CVC §5909)

When a repossessed vehicle is sold through a dealer conducting a wholesale motor vehicle auction, the renewal penalties due may be waived if all fees due are paid within 60 days of the last auction date.

In case of multiple wholesale motor vehicle auctions, a subsequent auction restarts the 60 days, as long as the repossessed vehicle stays within a legal owner/dealer/wholesale motor vehicle auction cycle (even if one of the dealers is out of state). The penalty waiver may be applied through the final wholesale auction date, if paid within 60 days of the last auction.

If the vehicle is sold to a retail customer during the legal owner/dealer/wholesale motor vehicle auction cycle, and the vehicle goes back to a wholesale motor vehicle auction (e.g., due to an unwind), the renewal fees must be paid within 60 days of the last auction date before that retail sale to avoid penalties.

In addition to the procedures listed in Basic Transfer Requirements section in this chapter, the following must be submitted:

- A Certificate of Repossession (REG 119) form.
- Repossession **and** transfer fees, if the reposessor is not the registered owner.
- The dealer requesting a renewal penalty waiver must submit a Statement of Facts (REG 256) form which states the following:
 - The dealer is requesting a renewal fee penalty waiver.
 - The vehicle is a repossessed vehicle.
 - The repossessed vehicle is sold through a dealer conducting a wholesale motor vehicle auction.
 - The date of the last wholesale motor vehicle auction and that all renewal fees due have been paid within 60 days of the last wholesale motor vehicle auction date.

NOTE: On leased vehicles, the lessor is the registered owner so the vehicle returns to the lessor if the lessee default on payments. The lessor's release **is required** on the title to transfer ownership. A repossession fee **is not** due if the repossessed leased vehicle is subsequently leased to another lessee by the lessor.

11.140 Repossessions—Legal Owner not on Record (CVC §5909)

In addition to the procedures listed in the Basic Transfer Requirements section in this chapter, and in Chapter 12 for nonresident vehicles, the following must be submitted:

- The original or certified copy of the Conditional Sales Contract or Security Interest Agreement.
- A Certificate of Repossession Security Interest (REG 119) form.
- A bill of sale from the reposessor to the purchaser if the vehicle is not being registered to the reposessor.
- A repossession fee for the unrecorded transfer to the reposessor if the vehicle is registered in California. If the vehicle is registered to other than the reposessor, a transfer fee is also due.

11.145 Repossessions—New Vehicles (California Commercial Code §9503)

For new unregistered vehicles repossessed from a dealer, the following must be submitted:

- An Application for Title or Registration (REG 343) form completed by the buyer.
- If the REG 343 **does not** indicate the vehicle was not registered previously, a Statement of Facts (REG 256) form completed by the finance company or the buyer stating the vehicle was not previously registered.
- A Verification of Vehicle (REG 31) form.
- A certified copy of the trust receipt or flooring note agreement between the finance company and the dealer.
- A Certificate of Repossession (REG 119) form executed by the finance company.
- Bills of sale, as needed, to complete the chain of ownership.
- A smog certification, if appropriate.
- Registration fees based on the original (first buyer's) purchase price and date of sale **and** a transfer fee for the transfer to the second buyer. A smog certification is **not** required **provided** the original REG 397 is submitted.

NOTE: If registration fees are paid within 20 days from date of sale to the first buyer, the dealer will not be charged an ASF for an over 20-day violation, regardless of the length of time the report of deposit of fees (RDF) is held pending sale to a second buyer. The dealer has 30 days to submit the transfer application without penalty.

When a repossessed vehicle is sold through a dealer conducting a wholesale motor vehicle auction, the renewal **penalties** due may be waived if all fees due are paid within 60 days of the **last** auction date.

In the case of multiple wholesale motor vehicle auctions, a subsequent auction restarts the 60 days, as long as the repossessed vehicle stays within a legal owner/dealer/wholesale motor vehicle auction cycle (even if one of the dealers is out of state). The penalty waiver may be applied through the final wholesale auction date if paid within 60 days of the last auction.

11.145 Repossessions—New Vehicles, *continued*

If the vehicle is sold to a retail customer during the legal owner/dealer/wholesale motor vehicle auction cycle and the vehicle goes back to a wholesale motor vehicle auction (e.g., due to an unwind), the renewal fees must be paid within 60 days of the last auction date **before** that retail sale to avoid penalties.

The dealer requesting a renewal penalty waiver must submit a Statement of Facts (REG 256) form which states the following:

- The dealer is requesting a renewal fee penalty waiver.
- The vehicle is a repossessed vehicle.
- The repossessed vehicle is sold through a dealer conducting a wholesale motor vehicle auction.
- The date of the **last** wholesale motor vehicle auction and that all renewal fees due have been paid within 60 days of the last wholesale motor vehicle auction date.

11.150 Rollbacks (CVC§5901)

A rollback is when a buyer returns a vehicle to the dealer **after** operating it on the customer copy of the dealer's report of sale. The report of sale **cannot** be voided when this occurs; all fees are due from the date of sale and must be submitted promptly to DMV. A sale cancelled **prior** to operation of the vehicle by the buyer **is not** a rollback and the report of sale **must be** voided.

If a dealer sells a vehicle to a purchaser whose financing is rejected (requiring a new contract) and the replacement contract has a cosigner, another party added, or a new purchaser, the application must be handled as a rollback.

NOTE: A dealer who returned all vehicle license fees (VLF) collected to the first purchaser may collect prorated VLF from the second purchaser based on the original purchase price and date of sale (CVC §11713(g)). However, VLF cannot be charged when the second buyer is a qualified nonresident military person who is exempt from VLF.

New Vehicle Rollback —When a new vehicle rollback is subsequently sold to a second buyer or registered to the dealer, the following must be submitted:

- An Application for Title or Registration (REG 343) form in the second buyer's name.
- An Application for Registration of New Vehicle (REG 397) form in the first buyer's name.
- A Report of Sale–Used Vehicle (REG 51) form in the second buyer's name.
- A Vehicle/Vessel Transfer and Reassignment Form (REG 262) from the first buyer to the dealer.
- A Lien Satisfied/Titleholder Release (REG 166) form from the legal owner (lienholder) for the first sale, if applicable. A REG 166 is not required when:
 - Financing **was not** approved for the first sale or the dealer entered the information in error. Accept a Statement of Facts (REG 256) form **or** a Statement of Error/Erasure (REG 101) form from the dealer regarding the lienholder information.
 - The lienholder remains the same for the second buyer. The lienholder must be shown on the REG 343 for the new owner.

11.150 Rollbacks, *continued*

- REG 256 containing the following information:
 - Name of the person who returned the vehicle to the dealer and the date returned.
 - Reason the vehicle was returned (for example, credit unavailable).
 - If the vehicle was voluntarily returned by the prospective purchaser.
 - If the vehicle was sold under conditional contract, chattel mortgage, etc.
 - If the trade-in, if any, was returned to the prospective purchaser.
 - If the down payment was returned and whether it was a cash down payment or cash in addition to the trade-in.

Registration fees based on the original (first buyer's) purchase price and date of sale **and** a transfer fee for the transfer to the second buyer. A smog certification **is not** required **provided** the original REG 397 is submitted.

NOTE: If registration fees are paid within 20 days from date of sale to the first buyer, the dealer will not be charged an ASF for an over 20-day violation, regardless of the length of time the report of deposit of fees (RDF) is held pending sale to a second buyer. The dealer has 30 days to submit the transfer application without penalty.

Used Vehicle Rollback— In addition to the Basic Transfer Requirements listed in this chapter and in chapter 10 for nonresidents, the following must be submitted:

- A Statement to Record Ownership (REG 101) form in the name of the second buyer that includes the name of the legal owner (lienholder), if appropriate
- A Lien Satisfied/Titleholder Release (REG 166) form from the lienholder for the first sale, if applicable. A REG 166 **is not** required when:
 - Financing **was not** approved for the first sale **or** the dealer entered the information in error. Accept a Statement of Facts (REG 256) form or a Statement of Error/Erasure (REG 101) form from the dealer regarding the lienholder information.
 - The lienholder remains the same for the second buyer. The lienholder must be shown on the REG 101 for the second buyer.
- A REG 256 containing the following information:
 - Name of the person who returned the vehicle to the dealer and the date returned.
 - Reason the vehicle was returned (for example, credit unavailable).
 - If the vehicle was voluntarily returned by the prospective purchaser.
 - If the vehicle was sold under conditional contract, chattel mortgage, etc.
 - If the trade-in, if any, was returned to the prospective purchaser.
 - If the down payment was returned and whether it was a cash down payment or cash in addition to the trade-in
- A Vehicle/Vessel Transfer and Reassignment Form (REG 262) from the first buyer to the dealer.

11.150 Rollbacks, *continued*

- Two Report of Sale–Used Vehicle (REG 51) forms: one for the first buyer **and** another for the second buyer.
- A smog certification, if appropriate.
- Two transfer fees and any other fees due.

NOTE: The dealer may register a rollback in the first buyer’s name, using the dealer’s address. The REG 256 indicated above must still be submitted.

Nonresident Vehicle Rollbacks— In addition to the nonresident requirements in Chapter 12, the following must be submitted:

- The nonresident service fee.

When processing:

- The transfer fees are not collected.

Sales to Nonresident Military (NRM) Personnel, in addition to basic transfer or nonresident requirements, the following must be submitted:

A Notification of Alternative Forms of Financial Responsibility (REG 5085) form.

NOTE: Rollback procedures **do not** apply once certificates have been issued on a dealer sale to the first buyer (even if the vehicle is subsequently returned to the dealer). The application must be processed as a transfer of ownership. If the first buyer paid VLF and the second buyer is a NRM, the VLF paid earlier **is due**.

11.155 Rush Titles (CVC §9270)

A vehicle owner or dealer may request “rush title” special processing on applications. All rush title applications are processed only through the DMV Special Processing Unit (SPU) in DMV headquarters.

NOTE: An Application for Duplicate or Paperless Title (REG 227) form may be processed as a Rush Title application.

Rush Title processing—The applicant must submit the application and fees due:

By mail to:

Department of Motor Vehicles
Rush Title Processing - MS D825
2415 1st Ave.
Sacramento, CA 95818

11.160 Stolen or Embezzled Vehicles (CVC §4605 and CRTC §10858)

Registration fees and penalties on stolen or embezzled vehicles may be waived in specific instances.

Fees and/or penalties **do not** accrue as a result of the operation of a stolen or embezzled vehicle if the owner or legal owner (lienholder) completes the appropriate documents. Fees become due upon first operation of the vehicle after the date of recovery.

EXCEPTION: Fees and penalties are due if the owner operated the vehicle **after** the registration expiration date and **prior to** the date of theft or embezzlement.

Transfer Only on Unrecovered Stolen or Embezzled Used Vehicles—In addition to the procedures listed in the Basic Transfer Requirements section in this chapter, the applicant must submit:

- A Statement of Facts (REG 256) form completed by the owner requesting transfer only. The owner can be an individual, dealer, financial institution, or insurance company.
- A Miscellaneous Statements (REG 256A) with the Stolen or Embezzled Vehicle Certification completed by the owner.
- A transfer fee and any other fees due.

NOTE: A Certificate of Non-Operation/Planned Non-Operation Certification (REG 102) form **is not** required for an unrecovered stolen vehicle. A Salvage Certificate **is not** issued for an unrecovered stolen vehicle.

11.165 Title Only (CVC §§4452 and 6052)

A title only vehicle is a vehicle not previously registered in California, for which a California title only, without registration, was issued.

In addition to the procedures listed in the Basic Transfer Requirements section in this chapter, the following must be submitted:

- A Statement of Facts (REG 256) form requesting title only.
- A Certificate of Non-Operation/Planned Non-Operation Certification (REG 102) form. A planned nonoperation (PNO) may be filed up to 60 days prior to the registration expiration date. A certificate of nonoperation is acceptable for vehicles excluded from the PNO program.

11.170 Transfer on Death (TOD) Beneficiary (CVC §§4150.7, 5910.5, 9852.7, and 9916.5)

The registered owner of a vehicle/vessel may designate a transfer on death (TOD) beneficiary to whom ownership of the vehicle/vessel may be transferred upon death of the owner. The TOD beneficiary **is not** a registered owner **and** the signature or consent of the beneficiary **is not** required for any transaction involving the vehicle/vessel during the lifetime of the registered owner.

Adding a TOD Beneficiary—To add a TOD beneficiary, the following must be submitted:

- The California Certificate of Title.
—New Registered Owner section completed.

First Line—The registered owner’s name is entered as usual. Only one registered owner name is permitted.

11.170 Transfer on Death (TOD) Beneficiary, *continued*

Second Line—The abbreviation “TOD” is entered followed by the beneficiary’s name. Only one beneficiary name is permitted. The TOD beneficiary may be an individual, corporation, trust, partnership, association, or other entity.

Third Line—The registered owner’s address is entered.

Signature Line—The registered owner’s signature is required.

Line 1—The registered owner does not have to sign line 1 to add a beneficiary.

The beneficiary’s signature **is not** required to add, change, or delete a beneficiary.

- A transfer fee to add, delete, or change a beneficiary in addition to any other fees. Refer to Appendix 1F for fees.

Changing or Revoking a TOD Beneficiary—During the lifetime of the registered owner, the owner may revoke a title held in beneficiary form or change the beneficiary name by selling or transferring the vehicle/vessel **or** by submitting an application for a new title completed **without** a TOD beneficiary designation.

Transfer of Ownership to Beneficiary—Upon the death of the registered owner, ownership may be transferred to the TOD beneficiary.

The following must be submitted:

- The California Certificate of Title. The beneficiary must sign the name of the registered owner and countersign on line 1.
- A Statement of Facts (REG 256) form completed by the beneficiary stating the date and place of the owner’s death and that they are entitled to the vehicle as the designated beneficiary.

NOTE: Ownership may be transferred to another person. The beneficiary must give the buyer the above documents and a bill of sale; two transfer fees are due.

11.175 Transfer Only (CVC §4452)

A “transfer only” is the transfer of a vehicle **not** currently registered without payment of registration fees. The vehicle record **must** reflect planned nonoperation (PNO) status and the vehicle **cannot** have been moved in a manner that would cause fees to become due.

In addition to the procedures listed in the Basic Transfer Requirements section in this chapter, the following must be submitted:

- A Statement of Facts (REG 256) form requesting transfer only.
- A Certificate of Non-Operation/Planned Non-Operation Certification (REG 102) form. A planned nonoperation (PNO) may be filed up to 60 days prior to the registration expiration date. A certificate of nonoperation is acceptable for vehicles excluded from the PNO program.

11.180 Transfer to “Estate of”

A vehicle may be transferred from the decedent to the estate of the decedent **without** any signatures on the California Certificate of Title.

In addition to the procedures listed in the Basic Transfer Requirements section in this chapter, the following must be submitted:

- California Certificate of Title with:
 - The new owner section on the back of the title completed showing “Estate of (name of decedent)” and the decedent’s address.
 - The name and address of the legal owner(lienholder) shown on the front of the title, if any, reentered on the back of the title.
- A Statement of Facts (REG 256) form which declares:
 - Letters Testamentary **have not** been issued.
 - The relationship of the deceased to the person completing the REG 256.
- A transfer fee. Use tax and a smog certification **are not** required.

11.185 Transfer Without Probate (CVC §5910 and California Probate Code §§6401, 6402, 13050 and 13100)

An Affidavit for Transfer Without Probate California Titled Vehicle or Vessels Only (REG 5) form may be used to transfer ownership of a vehicle when the registered owner or legal owner (an individual) of the vehicle is deceased, **provided** 40 days have elapsed since the date of death of the owner, the value of the decedent’s property in California **does not** exceed \$150,000, and the vehicle is titled in California. The value of the decedent’s property **does not include** any vehicle, vessel, manufactured home, mobilehome, commercial coach, or floating home.

After the above requirements are satisfied, a REG 5 may be executed without procuring Letters of Administration, Letters Testamentary, or awaiting probate of a will by the:

- Surviving next of kin.
- Guardian or conservator of the estate of the next of kin.
- Trustee, under a trust agreement by the deceased, if the primary beneficiaries are the next of kin.
- Sole beneficiary or beneficiaries, under the last will of the decedent.

After the 40-day waiting period (California Probate Code §13.100)—**In addition to the procedures listed in the Basic Transfer Requirements section in this chapter, the following must be submitted:**

The Certificate of Title completed by the heir **as** follows:

- Signature on the registered owner’s name **and** countersignature on line 1 of the Certificate of Title.
- A completed and signed REG 5. A power of attorney **cannot** be used to sign the REG 5. If owned jointly by two or more deceased owners, a REG 5 is required for the most recently deceased owner only.

NOTE: A REG 5 **cannot** be used to circumvent the interest of the surviving owner when the vehicle is jointly owned by two or more persons and only one owner is deceased (CVC §4150.5). However, the heir may execute a REG 5 to release the interest of the deceased co-owner when the vehicle is registered as community property (COMPRO).

11.185 Transfer Without Probate, *continued*

- An original or certified copy of the death certificate for **all** deceased registered owners, including the most recently deceased.
- Use tax or, in lieu of use tax, collect a Certificate of Vehicle, Mobilehome, or Commerical Coach Use Tax Clearance (BOE 111) form issued by the Board of Equalization and a Statement of Facts (REG 256) form. If the co-owners are joined by “**and**,” the vehicle may be transferred *solely* to the surviving co-owner without collection of tax. However, a REG 256 must be submitted by the surviving co-owner stating that the vehicle was bequeathed to them.
- A transfer fee to the heir and any other fees due. If the heir transfers ownership directly to another person, two transfer fees are due and a penalty may be due if the last transfer is late.

11.190 Trust Transfers (CVC §5600)

Establishment of a trust commits the property or assets of an individual(s) to a trustee for use or safekeeping.

Definitions:

Beneficiary—The one for whose benefit a trust is created.

Co-trustees—Two or more persons who are intrusted with property for the benefit of one or more persons.

Settlor—The term “settlor” is frequently used instead of “trustor.”

Successor Trustee—A trustee who follows or succeeds an earlier trustee and who generally has all the powers of the earlier trustee.

Trust—An arrangement where property is transferred with an intention that it be held and administered by a trustee for the benefit of some third party or parties. The trust **is** the registered owner.

Trust—An arrangement where property is transferred with an intention that it be held and administered by a trustee for the benefit of some third party or parties. The trust **is** the registered owner.

Trustee—The person appointed or required by law to execute a trust. Generally, the same person may be both a beneficiary and a trustee; however, the sole beneficiary of a trust **cannot** be the sole trustee for the trust.

Trustor(s)—The one who creates, or whose confidence creates, a trust.

Transfer to a Trust—Transfers from an individual(s) to the trust (of/for the same individual(s) are handled as regular transfers.

In addition to the procedures listed in the Basic Transfer Requirements section in this chapter, the applicant must submit:

- The California Certificate of Title with the names of the trust and trustee(s) shown in the new registered owner section on the back of the title. **EXAMPLES:**

Jones Family Trust	<i>or</i>	John Jones Family Trust
John Jones, Trustee		John M./Mary S. Jones, Trustees
Address of Trustee		Address of Trustees

11.190 Trust Transfers (CVC §5600), *continued*

- The signature of the trust containing the trust name and countersignature by the trustee. The endorsement John Jones Family Trust by J. Jones is acceptable for either. Only one trustee signature is required to put the vehicle into the name of the trust even if the trustee names are joined by “and” (designated by “/”).

EXAMPLE: John Jones Family Trust by *Mary S. Jones*, Trustee.

- A Statement of Facts (REG 256) form for smog/tax exemption.

Transfer From a Trust—In addition to the procedures listed in the Basic Transfer Requirements section in this chapter, the applicant must submit:

Documents with the releasing signature for the trust containing the trust name and countersignature of the trustee.

EXAMPLE: John Jones Family Trust by *Mary S. Jones*, Trustee

<i>If</i>	<i>Then</i>
More than one trustee name is shown without “or” or “and” (represented by a “/”) between the trustees’ names	<ul style="list-style-type: none"> • Each trustee must release on the title. • If only one trustee release is provided, a Statement of Facts (REG 256) form is required explaining the reason.
The trustee signing is not the trustee named on the title	A REG 256 is required from that trustee stating his/her appointment as a successor trustee by the trustor or the retiring trustee.
A trustee releases interest on the title for a vehicle which is not registered to a trust	<ul style="list-style-type: none"> • Ownership of the vehicle is determined by the deceased owner’s will as contained in the trust document. • Copies of the trust agreement and a Vehicle/Vessel Transfer and Reassignment Form (REG 262) to complete the chain of ownership may be required.
No trustee name is shown on the title	A REG 256 is required from the trustee attesting to his/her appointment as trustee or successor trustee by the trustor.

- If the transaction involves family members that would otherwise be exempt from smog, a REG 256.
- Use Tax or, in lieu of used tax, a Certificate of Vehicle, Mobilehome, or Commercial Coach Use Tax Clearance (BOE 111) form issued by the Board of Equalization and a REG 256.

Transfers of vehicle ownership from the registered owner to their revocable trust or specific family members cannot be completed when unpaid parking and/or toll violations are on the vehicle record. Transfers out of a revocable trust are not impacted.

11.190 Trust Transfers, *continued*

All violations shown on the record must be cleared by the issuing parking/toll agency or paid to DMV and all other required fees and documents submitted to complete the transfer of ownership

NOTE: Family members affected are the registered owner's natural or legally-adopted parent, grandparent, child, grandchild, spouse, domestic partner, and sibling.

Business Partner Automation Program Participant Procedures

When the application contains a REG 256 declaring a family transfer exemption from use tax and/or a smog inspection, or the transfer is to the revocable trust of the current registered owner, and unpaid parking and/or toll violations are on the vehicle record, submit the application to DMV for processing.

11.195 U.S. Customs Sales (CVC §5909)

The U.S. Customs Office may seize and sell vehicles for federal violations.

The following must be submitted:

- An ownership document, which may be:
 - The California Certificate of Title.
 - An Application for Title or Registration (REG 343) form and a nonresident title.
 - A GSA Standard 97 form. A bill of sale or receipt from the U.S. Customs Office, signed by the Cashier of Customs, that names the buyer and describes the vehicle may be accepted in lieu of signatures on the title.
- A Verification of Vehicle (REG 31) form, **unless** there is a vehicle record on the database **or** the California Certificate of Title is submitted.
- The odometer mileage disclosure on a complying title or on the Vehicle/Vessel Transfer and Reassignment Form (REG 262), as appropriate.
- A smog certification, if appropriate.
- The fees due.

11.200 Warehouse Receipts Act

Warehouses, storage houses, railroad terminals, and other similar establishments may sell unclaimed vehicles stored with them under the provisions of the *California Civil Code* commencing with §3067, et seq.