810-5-75-.14 Involuntary Transfer by Operation of Law

(1) When the interest of an owner in a motor vehicle or manufactured home passes to another, other than by voluntary transfer, the transferee must make application for a new certificate of title through a designated agent. The transferee must also surrender the last certificate of title, if available, and provide proof of the transfer to the designated agent.

(2) Except as provided in paragraph (3), the proof of transfer must identify the vehicle or manufactured home by vehicle identification number or manufactured home identification number, unless it is accompanied by either the original or a copy of the certificate of title.

(3) In the event that the proof of transfer does not identify the vehicle or manufactured home by vehicle identification number or manufactured home identification number, and no title is available, a designated agent may utilize the department’s title database to determine the identity of the vehicle or manufactured home. The designated agent must include a copy of the title record used to verify the identity of the vehicle or manufactured home with the title application documentation.

(4) The person or entity initiating the involuntary transfer of a motor vehicle is required to give notice of the action to the department at least 35 calendar days prior to the date of the involuntary transfer. This notice requirement does not apply to:

   a. Abandoned vehicles (see administrative rule 810-5-75-.64 Unclaimed/Abandoned Vehicles).

   b. A motor vehicle transferred pursuant to a divorce decree.

   c. A motor vehicle transferred pursuant to documents creating a lien or other security interest in the motor vehicle.

   d. Manufactured homes.

(5) A person holding a certificate of title whose interest in the vehicle or manufactured home has been extinguished or transferred other than by voluntary transfer must surrender the certificate to the department upon request of the department or being notified that the certificate of title has been voided by the issuance of a subsequent certificate of title. The delivery of the certificate pursuant to the request of the department does not affect the rights of the person surrendering the certificate; and the action of the department in issuing a new certificate of title is not conclusive upon the rights of an owner or lienholder named in the old certificate.

(6) The requirements of this rule do not apply when the interest of an owner is terminated, and the vehicle or manufactured home is sold under a security agreement
by a lienholder recorded on a certificate of title. See rule 810-5-75-.17 entitled Repossessed Motor Vehicle.

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