

TRANSFERS
VEHICLE INDUSTRY REGISTRATION PROCEDURES

11

<i>Title</i>	<i>Page</i>
11.000 Introduction	11-2
11.005 Basic Transfer Checklist: Title Smog Requirements for Transfers Use Tax Miscellaneous Transfer Requirements	11-2
11.010 Legal Owner/Lienholder Transfers	11-13
11.015 Duplicate Title for Sales to Auto Auctions	11-14
11.020 Termination of Vehicle Lease	11-15
11.025 Transfer Only	11-16
11.030 Transfer of “Title Only”	11-17
11.035 Multiple Transfers	11-18
11.040 Used Vehicle Rollback	11-19
11.045 Transfer Without Probate	11-20
11.050 Transfer With Letters of Administration	11-21
11.055 Transfer With Letters Testamentary	11-22
11.060 Transfer With Spousal Court Orders	11-23
11.065 Transfer to “Estate Of”	11-23
11.070 Transfer on Death (TOD) Beneficiary	11-24
11.075 Transfer With COMPRO, JTRS, TENANTS IN COMMON	11-25
11.080 Transfer of Indian-Owned Vehicles	11-25
11.085 Transfer To/From Nonresident Military Personnel (NRM)	11-27
11.090 Exempt Agency Transfers	11-27
11.095 Leased Vehicle Transfers	11-28
11.100 Transfers Involving Conservators or Guardians	11-28

<i>Title</i>	<i>Page</i>
11.105 Non-Transfer Changes to Registered Ownership	11-30
11.110 Transfer of Vehicles issued a California (Goldenrod) Registration only	11-30
11.115 Transfer Only on Uncovered Stolen or Embezzled Used Vehicles	11-31
11.120 Transfer With Parking Violation Citations on File	11-31
11.125 Transfer With Owner Responsibility (OR) Citations on File	11-32
11.130 Transfer With ARB Enforcement Citations	11-32
11.135 Trust Transfers	11-32
11.140 Repossession	11-33
11.145 Involuntary Transfers, Government Actions: Attachment Sales Bankruptcy Sales Divorce Actions Foreclosures or State Controller Sales Governmental Actions Court Orders—General Information California Forfeited Vehicles Federal Forfeiture Sales Internal Revenue Sales United States Custom's Sales Military Sales Welfare and Institutions Code Sales	11-33
11.150 Unavailable Legal Owners	11-39
11.155 Notice of Release of Liability	11-41

Transfers

11.000 Introduction

A transfer is any change in the ownership of a **California-registered vehicle**.

- When a transfer occurs, the most recently issued Certificate of Title must be submitted to the department to update the department's records with the new owner information and issue a new title for the vehicle.
 - The basic requirements apply to the most transfers. However, some transfers may require additional documentation as outlined in this chapter.
- A transferee has 10 days from the receipt of a properly endorsed title to submit the title and transfer fee to the department and thereby make application for a transfer of registration.
 - A transfer penalty is not due as long as the transfer fee is paid within **30** days of the transfer date.
- California dealers and lessor-retailers have **30** days from the date of sale on the Report of Sale–Used Vehicle (REG 51) to submit the transfer application and required fees without penalty and/or Administrative Service Fees (ASF).
 - This includes vehicles on which the registration expires while in the dealer inventory.
 - It **does not** include vehicles taken into dealer inventory with expired registration.

NOTE: See Chapter 14 for PTI transfers; see Chapter 24 for vessel transfers; see Chapter 18 for lien sale transfers; see Chapter 12 for non-resident transfers

11.005 Basic Transfer Checklist (CVC §§5603, 5751, and 5753)

The basic transfer requirements for a **California-registered vehicle** are listed in the shadow boxes below.

- Review guidelines for each item are located in the chart following each shadow box.
- Some transfer transactions in this chapter will have additional requirements; some will not require all of the items listed.

Title

- Latest California Title,
- OR**
- Application for Duplicate Title (REG 227) with section 3, *Missing Title Statement* completed and signed

11.005 Basic Transfer Checklist (CVC §§5603, 5751, and 5753), *continued***Title, *continued***

Follow the chart below to review the Title for completeness.

Title Review Chart

<i>Section...</i>	<i>Review for...</i>
Lines 1a and 1b on title, or Section 4 on Application for Duplicate Title (REG 227)	<ul style="list-style-type: none"> • Date of release • Properly released by owner(s) of record (See Chapter 1, General Registration Information, for more information.) <p>IMPORTANT: All owners joined by “/” must release.</p> <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> • Properly released by the heir or an administrator or executor of the estate when the owner(s) of record are deceased. (See Section 11.140.) <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> • Bill of Sale in lieu of registered owner(s) release. <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> • Certificate of Repossession (REG 119) and the word “Repo” written on the line in lieu of the registered owner(s) release. <p>NOTE: The signature on line 2 of the title is acceptable in lieu of line 1a-1b, if a <i>sole</i> owner (no lienholder) releases on line 2 but fails to release on 1a-1b. See section ____ if one or more of the co-owners are deceased.</p>
Odometer	<ul style="list-style-type: none"> • Completed and signed on the complying title in the odometer box on the front of the title. <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> • Completed and signed Vehicle/Vessel Transfer and Reassignment Form (REG 262): <ul style="list-style-type: none"> — for a non-complying title; <i>or</i> — for an Application for Duplicate Title (REG 227); or if the title was unavailable at the time of sale; <i>or</i> — if the odometer was not entered on a complying title; or if an error was made in the odometer box

Title Review Chart (continued)

<i>Section...</i>	<i>Review for...</i>
Odometer, <i>continued</i>	<p>NOTE: Odometer reading is encouraged for all transfers, but is only <i>required</i> for motor vehicles 9 years old or newer.</p> <ul style="list-style-type: none"> — If submitted, an odometer document must conform to all requirements. — Any errors or erasures in the odometer box on the title will void the odometer disclosure and a separate Vehicle/Vessel Transfer and Reassignment Form (REG 262) will be required.
Line 2 on title, or Section 5 on Application for Duplicate Title (REG 227)	<ul style="list-style-type: none"> • Properly endorsed by the legal owner/lien holder of record. <ul style="list-style-type: none"> — Company or business names must include the name of the company and be countersigned or initialed by an authorized agent. <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> • Lien Satisfied (REG 166) in lieu of the releasing signature on the title or Application for Duplicate Title (REG 227). <ul style="list-style-type: none"> — If an Application for Duplicate Title (REG 227) is being submitted, the lien satisfied must be notarized; notarization is not required if the title is being submitted. <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> • If the legal owner/lien holder will remain the same for the new registered owner, in lieu of a signature, the word “SAME” or “See Lines 11-13” or any indication that the legal owner/lien holder is not releasing their interest, but will remain the legal owner/lien holder for the new buyer. <ul style="list-style-type: none"> — The exact same legal owner/lien holder must be shown on lines 11-13 on the reverse of the title
Line 3a-3b on title, or Section 6 on Application for Duplicate Title (REG 227)	<ul style="list-style-type: none"> • For each new owner, print the true full name as it appears on the driver license or ID card. • For leased vehicles, print the lessor’s name, followed by LSR, and the lessee(s) name(s), followed by LSE • Check the appropriate “<i>and</i>” OR “<i>or</i>” box if there is more than one owner. <ul style="list-style-type: none"> — Certificates will be issued with <i>and (/)</i> if no box is checked and all owners will be required to release the title. — No box should be checked for leased vehicles.

Title Review Chart (continued)

<i>Section...</i>	<i>Review for...</i>
Lines 4-8 on title, or Section 6 on Application for Duplicate Title (REG 227)	<ul style="list-style-type: none"> • Enter the buyer’s complete business or residence address on lines 4-5 of the title or the appropriate line on the REG 227. <ul style="list-style-type: none"> — Include an apartment, space, or Private Mail Box (PMB) number if applicable. — Do not abbreviate a street or city name • Enter the buyer’s mailing address, if different, on lines 6-7 of the title or appropriate lines of the REG 227. • For trailer coaches, enter on line 8 of the title (section 9 on REG 227) the address where the trailer coach is normally kept.
Line 9a-9b on title, or Section 6 on Application for Duplicate Title (REG 227):	<ul style="list-style-type: none"> • Signature of each new registered owner. <ul style="list-style-type: none"> — All signatures are required, even if the owners names are joined by “or.” — Signatures may be signed by power-of-attorney. — See Chapter 1 for additional information on signatures. • Enter the California Driver License/ID Card Number for each new owner. <ul style="list-style-type: none"> — If a California DL/ID has not been issued to an owner, show his/her out-of-state license number, if any, and write the state of issuance above the number. — Do not enter a DL/ID # when the new owner is a company. — Show “None” for persons who have not been issued a driver license or ID card from California or any other state. • Enter the purchase price and purchase date. <ul style="list-style-type: none"> — For a gift or trade, enter “gift” or “trade” plus the value of the gift or trade received as the purchase price. — If the vehicle was purchased or received from a <i>qualified</i> relative, a completed Statement of Facts (REG 256) must also be submitted.
Lines 10 on title, or Section 8 on Application for Duplicate Title (REG 227)	Enter the lessee’s address, if different from the residence address shown.

Title Review Chart (continued)

<i>Section...</i>	<i>Review for...</i>
<p>Lines 11-13 on title, or Section 7 on Application for Duplicate Title (REG 227)</p>	<ul style="list-style-type: none"> • Enter the name and address of the new legal owner/ lien holder. <ul style="list-style-type: none"> — If there is no new legal owner/lien holder, enter the word “NONE”. Initial the entry. • A rubber stamp, at least 12-point type, may be used for the name and address of the legal owner/lien holder. <ul style="list-style-type: none"> — The impression must be legible. • If a dealer is submitting the application, the following must appear in the lien holder section or the application will be returned to the dealer: <ul style="list-style-type: none"> — the legal owner/lien holder name and address, <i>or</i> — the word “NONE.” <p>IMPORTANT: Determine if the new lien holder is shown on the latest Electronic Lien and Title (ELT) listing published by the department for obtaining an electronic title.</p> <ul style="list-style-type: none"> • If so, the name and address must be entered exactly as shown on the listing or a paper title will be issued to the lienholder. • Current ELT listings are available on the DMV internet at www.dmv.ca.gov/vr/dealer_regservice.htm
<p>Lines 14-16 on title, or Section 10 on Application for Duplicate Title (REG 227)</p>	<p>The following must be entered for all retail or wholesale dealer and lessor-retailer transactions only.</p> <ul style="list-style-type: none"> • Current odometer reading; check one of the boxes if applicable • R/S (Report of Sale) number, whether a Report of Sale-Used Vehicle (REG 51) or a Wholesale Report of Sale (REG 396) was completed. <ul style="list-style-type: none"> — A Report of Sale–Used Vehicle (REG 51) is not required when the vehicle is being transferred to the name of the dealer • Date of sale (between dealers or to the new retail buyer) • Signature of an authorized agent of the dealer • Printed name of the authorized agent who signed • Dealer company name • Dealer number • Buyer’s signature acknowledging the odometer reading entered (this may be the dealer who has purchased the vehicle wholesale).* — Signature cannot be signed by power of attorney.

Title Review Chart (continued)

<i>Section...</i>	<i>Review for...</i>
Lines 14-16 on title, or Section 10 on Application for Duplicate Title (REG 227), <i>continued</i>	<ul style="list-style-type: none"> • Printed name of the buyer who signed for the odometer* • Salesperson’s number (or title, such as “owner”) <p>*An Application for Duplicate Title (REG 227) will not contain the information shown in the dealer endorsement section.</p> <p>The following must be completed if the vehicle was sold through a wholesale auto auction:</p> <ul style="list-style-type: none"> • Date of auction • Auction name • Auction dealer number <p>NOTE: If the dealer transaction section is full, or an Application for Duplicate Title (REG 227) is submitted, a Vehicle/Vessel Transfer and Reassignment Form (REG 262) is required.</p>

Smog Certification Requirements for Transfers

- A valid smog certification is normally required for a transfer of a vehicle 1976 model year and newer, and through five model years old.
 - The smog certification must have been obtained within the last 90 days for an individual, *or* two years for a dealer if the vehicle has been in dealer inventory.
 - Car dealers must ensure that the smog inspection requirements are satisfied *prior* to delivering a vehicle to a purchaser.
 - Newer vehicles (4 model years old or less) do not need a new smog certification; however, a Smog Transfer *fee* will be required.
- Smog certification may not be required if the transferee qualifies for one of the following exemptions, **and the vehicle is *not* subject to biennial Smog requirements:**
 - The vehicle is powered by diesel or electricity.
 - The vehicle is located outside of California (exception – Nevada or Mexico).
 - The vehicle is being transferred from/between parents, grandparents, child, grandchild, brother, sister, spouse, or domestic partner.
 - The vehicle is being transferred from a sole proprietorship to the proprietor as owner or vice versa.
 - An individual is being added as a registered owner.

11.005 Basic Transfer Checklist (CVC §§5603, 5751, and 5753), *continued***Smog Certification Requirements for Transfers, *continued***

- The vehicle is being transferred between leasing companies with no change of lessee, or the vehicle is being transferred from the leasing company to the lessee.
- The vehicle is being transferred from the leasing company to the lessee's operator who has been operating the vehicle at least one year.
- The transfer of a trust vehicle which appears to involve family members that would otherwise be exempt.

For Example: Trustee and the transferrer have the same last name.

NOTE: A Statement of Facts (REG 256) must accompany the transfer application whenever one of the exemptions applies.

If a **biennial smog certification** is due on the vehicle, the smog exemptions listed above do **not** apply, and a smog certification **must** be obtained.

- If the record shows a valid PNO and a “transfer only” is being requested, a smog certification is not due for the transfer as long as the purchase date was *after* the vehicle expiration date.
 - See section 11.050 for additional information on “transfer only.”

Use Tax

- Use Tax (Sales Tax) is normally required on all transfers. The amount of tax and the rate is based on the purchase price and the registered owner's address.
 - See Appendix 1A for use tax rates.
 - The tax is submitted directly to DMV with the application and other fees due, unless submitted by a dealer.
 - Except as indicated, use tax must be paid at the time of transfer or original registration, or a Certificate of Use Tax Clearance (BOE 111) must be submitted.
- When a dealer sells a vehicle, a Report of Sale-Used Vehicle (REG 51) is completed and the tax is submitted directly to the Board of Equalization by the dealer, never to DMV.
- Lessors who normally collect tax on a monthly basis must submit a Statement of Facts (REG 256) indicating that the tax is being submitted to the Board of Equalization (BOE) and showing the BOE resale number.
- When the vehicle is inherited and an Affidavit for Transfer Without Probate (REG 5) is completed and signed **by the applicant**, use tax is not due.
 - If the applicant is other than the person who completed and signed the REG 5, use tax is due or a Certificate of Use Tax Clearance (BOE 111) is required.

11.005 Basic Transfer Checklist (CVC §§5603, 5751, and 5753), *continued***Use Tax, *continued***

- If Letters of Administration or Letters Testamentary are submitted to release the ownership of one or more deceased persons, use tax is due or a Certificate of Use Tax Clearance (BOE 111) is required.
- If the current registered owner is transferring his/her own vehicle into or out of his/her own trust or a vehicle/vessel received as a gift is being transferred into or out of a trust.
 - Submit a Statement of Facts (REG 256) for use tax exemption from the current registered owner stating he/she is transferring his/her own vehicle into or out of his/her own trust.
 - Submit a REG 256 or the word “gift” entered on the back of the title when a vehicle/vessel received as a gift is being transferred into or out of a trust.
 - A Certificate of Use Tax Clearance (BOE 111) is **not** required.
- Use tax may not be required if the transferee qualifies for one of the following exemptions:
 - The transfer is between a parent, child, grandparent, spouse, domestic partner, or sibling (both siblings must be under 18 and be related by blood or adoption).
 - A family member (as indicated above) is being added or deleted.
 - The vehicle was a gift (the current market value must be shown). This requirement does not include vehicles traded between individuals, transfer of contracts or other valuable consideration, or gifts to/from a corporation or partnership.
 - The vehicle was obtained as a result of a court order.

NOTE: A Statement of Facts (REG 256) **must** accompany the transfer application whenever one of the exemptions applies.

- Use tax may not be required if a valid PNO is on the record and the transferee applies for a “transfer only”, as long as the purchase date was *after* the expiration date
 - See section 11.050 for additional information on “transfer only”

11.005 Basic Transfer Checklist (CVC §§5603, 5751, and 5753), *continued***Miscellaneous Transfer Requirements**

Follow the chart below for Miscellaneous Transfer supporting documents and requirements.

Miscellaneous Transfer Requirements

<i>Miscellaneous Documents</i>	<i>Requirements</i>
Report of Sale-Used Vehicle	<ul style="list-style-type: none"> • Report of Sale–Used Vehicle (REG 51) must be completed for all California dealer retail sales and submitted with the transfer application. <ul style="list-style-type: none"> — See Chapter 8, Report of Sale–Used Vehicles, for additional information. • Only one co-owner signature is required on the REG 51.
Substitute Plates/Stickers	<ul style="list-style-type: none"> • If replacement license plates or stickers are required, an Application for Replacement Plates, Stickers, Documents (REG 156) must be completed • The REG 156 may be signed by the prior owner, the new owner, or the dealer, if being submitted with the transfer application • If only one plate is missing, the remaining plate must be submitted to DMV <p>NOTE: After the transfer is completed, only the new owner can sign the REG 156</p>
Reassignment of Special Plates	<ul style="list-style-type: none"> • Special plates on a vehicle being transferred should be returned to the prior owner. <ul style="list-style-type: none"> — An Application for Replacement Plates, Stickers, Documents (REG 156) must be completed to obtain new plates. — There is no fee for the replacement plates. • The new owner can assign a special plate to the vehicle by completing a Special License Plate application (REG 17A) indicating from which vehicle the special plates were removed. <ul style="list-style-type: none"> — Additional fees may be required depending on the type of special plate being reassigned. — See Chapter 21, Special Plates, for additional information.

Miscellaneous Transfer Requirements (continued)

<i>Miscellaneous Documents</i>	<i>Requirements</i>
Non-Resident Military Exemption	<ul style="list-style-type: none"> • Completion of a Non-Resident Military Exemption Statement (REG 5045) exempts the vehicle from collection of the Vehicle License Fee only. • The form must be completed and signed by the non-resident military person, the spouse, or other close relative and must show the commanding officer's name and telephone number. • The military person must be shown as the registered owner and the duty station must be located in California
Insurance Requirements	<ul style="list-style-type: none"> • A new owner is required to have insurance when a vehicle is transferred into their name. <ul style="list-style-type: none"> — Proof of insurance does not have to be submitted to the department at the time the vehicle is being transferred. — The new owner will be required to have their insurance reported to the department within 30 days of receiving a registration card for the vehicle. • Owners who have commercial or business insurance should: <ul style="list-style-type: none"> — complete and submit a Notification of Alternative Forms of Financial Responsibility (REG 5085), and — include a copy of the evidence of financial responsibility with the application.
Gross Vehicle Weight/ Combines Gross Vehicle Weight	<ul style="list-style-type: none"> • Transfers of commercial vehicles over 6,001 pounds unladen require a Declaration of Gross Vehicle Weight/ Combined Gross Vehicle Weight (REG 4008) to be completed and signed by the new owner, even if the gross vehicle weight or combined gross vehicle weight (GVW/ CGVW) is: <ul style="list-style-type: none"> — less than 10,000 pounds, or — will remain the same as the prior owner's declaration. <p>NOTE: The REG 4008 is not required for pickups.</p> • Commercial vehicles operating at 10,001 or greater GVW/ CGVW must display a CVRA weight decal and year sticker on each side of the vehicle indicating the highest GVW/CGVW the vehicle may be operated as declared by the owner.

Miscellaneous Transfer Requirements (continued)

<i>Miscellaneous Documents</i>	<i>Requirements</i>
Gross Vehicle Weight/ Combines Gross Vehicle Weight, <i>continued</i>	<ul style="list-style-type: none"> • Additional weight fees may be due if the GVW/CGVW is higher than the previous owner’s declaration. <ul style="list-style-type: none"> — A CVRA decal fee must also be submitted and a new CVRA decal and sticker will be issued for the higher weight. • If the GVW/CGVW is lower, no refund will be issued. <ul style="list-style-type: none"> — A CVRA decal fee must be submitted and a new CVRA decal and sticker will be issued for the lower weight.
Certificate of Excise Tax Clearance (BOE 1138)	BOE 1138 is required for transfer of commercial vehicles powered by a fuel other than gas or diesel.
Transfers of PTI Trailers	See Chapter 14, Permanent Trailer Identification.
Transfers of Vessels	See Chapter 24, Vessels.

11.010 Legal Owner/Lien Holder Transfers (CVC §5603)

To record a change in the legal ownership only, the properly endorsed California Certificate of Title or Application for Duplicate Title (REG 227) plus any fees due must be submitted to the department.

Based on the transaction, other documentation may also be required.

Signature Requirements for Legal Owner/Lienholder Transfers

<i>Transaction</i>	<i>Requirements</i>
change of legal owner/lien holder. Registered owner(s) remains the same NOTE: The registered owner’s signature is not required on the title.	<ul style="list-style-type: none"> • Line 2 of the Certificate of Title signed/endorsed by the legal owner/lienholder of record. <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> • Section 5 of the Application for Duplicate Title (REG 227) signed and endorsed by the legal owner/lienholder, including notarization. <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> • A Lien Satisfied (REG 166). <ul style="list-style-type: none"> — When a REG 166 is used to release the legal owner/lienholder’s interest, make the notation “L/S ATT” on Line 2. — A REG 166 must be notarized if submitted with a REG 227 (only),

Signature Requirements for Legal Owner/Lienholder Transfers (continued)

<i>Transaction</i>	<i>Requirements</i>
change of legal owner/lien holder. Registered owner(s) remains the same, <i>continued</i>	<p style="text-align: center;">AND</p> <ul style="list-style-type: none"> • Name and address of the new legal owner/lienholder entered on the back of the title, or the word “None” if there is no new legal owner/lienholder. <ul style="list-style-type: none"> — Initial the entry. <p>NOTE: The signature of the registered owner is not required. See NOTE under chart below.</p> <p>Refer to Section 11.220 for change of legal owner/lienholder in conjunction with a goldenrod conversion.</p>
sole owner(s) adding a legal owner/lienholder name	<ul style="list-style-type: none"> • Signature of the sole owner(s) on Line 2 of the Certificate of Title. <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> • Signature of the sole owner(s) on Section 5 of the Application for Duplicate Title (REG 227) (notarization not required). <p style="text-align: center;">AND</p> <ul style="list-style-type: none"> • Name and address of the new legal owner/lienholder on the back of the title. <ul style="list-style-type: none"> — Initial the entry.

NOTE: If the registered owner signs Line 1 of the title or Section 4 of the REG 227 in error, he/she must either:

- complete a Statement of Error or Erasure (REG 101), *or*
- complete and sign the new registered owner section on the back of the title.

In such cases, make the notation “*no change of registered owner*” next to the signature on Line 1 of the title or Section 4 of the REG 227.

11.015 Duplicate Title for Sales to Auto Auctions

Because some California auto auctions will **not** accept vehicles when the dealer’s documentation includes an Application for Duplicate Title (REG 227), dealers may apply for a title in the name of the dealer only for these inventory vehicles.

NOTE: This procedure **cannot be** used under any other circumstances.

The requirements are:

- A properly endorsed Application for Duplicate Title (REG 227) **and** any other documents required for complete the chain of ownership to the dealership, including any notarized lien release.

11.015 Duplicate Title for Sales to Auto Auctions, *continued*

- Section 6, “New Registered Owner” **and** Section 10, “Dealer’s Release of Acquired Vehicle” on the REG 227 **must** be completed and include the dealer name and number.
- Statement to Record Ownership (REG 101) if necessary to clarify the dealer name and address information when there are multiple transfers and registered owners.
- A Statement of Facts (REG 256) indicating: “This inventory vehicle was transferred to us on the attached Application for Duplicate Title and will be re-sold to an auto auction.”
- Odometer mileage disclosure, if appropriate.
- The fees due for duplicate title and transfer, plus any registration fees that were due prior to going into dealer inventory.

NOTE: Use tax and smog certification are not due. If the inventory vehicle application contains other than an Application for Duplicate Title (REG 227), such as lien sale documents, the dealer may transfer the vehicle into the dealer’s name but must submit **all** required documents, including a **smog** certification to transfer the vehicle.

11.020 Termination of Vehicle Lease

Leased vehicle transfers require the lessor’s releasing signature on line 1 of the title or Section 4 of the Application for Duplicate Title (REG 227).

All basic transfer requirements apply, except as indicated below.

Termination by Default of lessee (CVC §28)

- When a vehicle lease is terminated by default, *prior* to its expiration, and the lessee voluntarily or involuntarily returns the vehicle to the lessor:
 - the subsequent transaction is processed as a repossession, **and**
 - a Certificate of Repossession (REG 119) is required.
- This affidavit can be from either the legal owner or the lessor.

Lessor-Retailer Sales to Lessee (R&TC §6277)

- If a lessee acquires a vehicle at the expiration or termination of a lease, use tax is due and is based on the lease payoff amount.
- If the lessor collects the use tax for submission to the Board of Equalizations, the application must include:
 - a Statement of Facts (REG 256) completed and signed by the lessor stating the amount of the payoff, the amount of tax collected, **and**
 - the BOE resale number of the lessor. A Report of Sale–Used Vehicle (REG 51) is not required unless the lessor is a dealer.

11.020 Termination of Vehicle Lease, *continued***Lessor-Retailer Sales to Lessee (R&TC §6277), *continued***

- A transfer smog certification is not required if:
 - the vehicle is being transferred to the lessee, *and*
 - a Statement of Facts (REG 256) Section B is completed. A biennial smog certification may still be due.
- If the lessee acquires a vehicle at the expiration or termination of a lease and, **within 10 days** after obtaining the title from the lessor, sells the vehicle to another party, use tax is only due from the third party.
 - The application must be handled as a multiple transfer, including a smog certification, with two transfer fees collected. See “*Multiple Transfers*” in section 11.070.
 - If, however, the lessee sells the vehicle to another party **after 10 days**, use tax is due from **both** the lessee and the third party. The application is still handled as a multiple transfer as indicated above.

Lessor-Retailer Sales

- A Report of Sale–Used Vehicle (REG 51) is not required if a lessor-retailer sells a previously leased or rented vehicle 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 buyer for agricultural, business, or commercial purposes.
 - A government or governmental agency or instrumentality.
- If sold to other than the persons listed above, a REG 51 is required.
 - All other basic transfer requirements apply.
 - See “*Leased Vehicle Transfer*” in section 11.190 for more information.

11.025 Transfer Only

The transfer of a vehicle **not** currently registered, and without payment of registration fees, is referred to as a “**Transfer Only**”.

- The vehicle **cannot** have been operated or moved in a manner that would cause fees to become due.
- A Planned Non-operation status must be reflected on the vehicle record or the vehicle must be exempt from the PNO filing.

“Transfer only” requirements:

- The properly endorsed and completed Certificate of Title or Application for Duplicate Title (REG 227) as indicated in the Basic Transfer Checklist.

11.025 Transfer Only, *continued*

- If the vehicle will not be operated as to cause fees to become due, a Statement of Facts (REG 256) for “Transfer Only” and a Planned Non-Operation Certification (REG 102) must be completed by the new owner and submitted with the transfer application.
 - A Planned Non-Operation Certification is not required if the Statement of Facts indicates that the vehicle will be registered as Special Equipment or as part of an IRP fleet.
 - Include the IRP account number and name and address of the fleet operator, if applicable.
- The REG 256 must also indicate how the vehicle was moved from the prior owner’s address or the dealership. Print the permit number used to move the vehicle **or** show “Delivered on Dealer Plates”, if applicable.
- A Certificate of Planned Non-Operation (REG 102) completed by the buyer.
- Odometer mileage disclosure, if appropriate.
- The original **and** operating copies of the Report of Sale–Used Vehicle (REG 51) if vehicle was sold by a dealer.
- Transfer fee. **Use tax and smog certification are not due** unless the buyer purchased the vehicle **prior** to the expiration date of the vehicle.

11.030 Transfer of “Title Only”

When a “Title Only” certificate is issued, the vehicle was not required to be registered in California at the time the title was issued.

For example: A vehicle used solely on private property, registered IRP, issued Special Equipment plates, etc.

<p>NOTE: A corresponding Planned Non-operation status is normally reflected on the vehicle record.</p>

- The basic transfer requirements apply to change ownership of the vehicle.
- If the vehicle **will be operated** to cause registration fees to be due, fees are collected from the date of first use and license plates are issued, no fee.
 - Smog certification and use tax, if applicable, are required.
- If the vehicle **will not be operated** as to cause fees to become due, a Statement of Facts (REG 256) for “Title Only” and a Planned Non-Operation Certification (REG 102) must be completed by the new owner and submitted with the transfer application.
 - A Planned Non-Operation Certification is not required if the Statement of Facts indicates that the vehicle will be registered as Special Equipment or as part of an IRP fleet.
 - Include the IRP account number and name and address of the fleet operator if applicable.

11.030 Transfer of “Title Only,” continued

- The REG 256 must also indicate how the vehicle was moved from the prior owner’s address or the dealership.
 - Print the permit number used to move the vehicle **or** show “Delivered on Dealer Plates”, if applicable.
- Transfer fee. **Use tax and smog certification are not due.**

11.035 Multiple Transfers (CVC §5751)

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

In addition to the basic transfer requirements, the following are required:

- The signature, name and address for all buyers **must be** entered on the back of the Certificate of Title or Application for Duplicate Title (REG 227).
 - A signed Bill of Sale (REG 235 or REG 262) may be accepted in lieu of the written signature of the previous buyer(s); however, the **printed name(s) and address(s) of all previous buyer(s) must be shown**
- The current buyer **must** sign the back of the title
- In front of each buyer’s name on both the title and the bills of sale, identify the chain of ownership by placing “I,” “II,” etc.
- Bills of sale are required to establish the chain of ownership from the first buyer to the current buyer
- A Statement to Record Ownership (REG 101) must be submitted to clarify the name and address of the registered and legal owners
- A Lien Satisfied (REG 166) is required if a lien holder/legal owner is shown on the title for other than the current owner.
 - If a lien holder/legal owner name was entered in error, a Statement of Error or Erasure (REG 101) or a Statement of Facts (REG 256) may be accepted in lieu of the Lien Satisfied.
- A transfer fee is due for **each** buyer. However, only the last transfer is subject to a transfer penalty, if any.
- An odometer disclosure statement, if applicable.
 - Separate odometer statements are not required for in-between buyers unless the application is submitted by a dealer.
- Use tax must be collected from the current buyer unless the vehicle is sold by a dealer or the buyer is exempt from use tax.
 - The Board of Equalization may request payment of unpaid tax from any of the previous buyers.
 - Any tax paid by a previous buyer cannot be refunded or used for the current buyer.

11.040 Used Vehicle Rollback

A used vehicle rollback occurs when the buyer returns the vehicle to the dealer after it has been operated, causing fees to become due, but before the transfer application is completed.

- Rollback procedures do not apply once certificates have been issued to the first buyer, even if the vehicle is subsequently returned to the dealer.
- Rollback procedures may also be applicable if:
 - a contract must be rewritten to accommodate any changes to the original registered owner(s), *or*
 - there is a new purchaser, and the transfer application has not been completed.
- If the financing is rejected on the first contract, but is successful on the second contract, and there is no change to the registered owner(s), the vehicle can be sold with just corrections on the title.
- The Report of Sale–Used Vehicle (REG 51) **cannot** be voided.
 - **All** fees are due **within 30 days** of the date of sale shown on the REG 51 to avoid any late penalty or ASF.
 - The fees due may be posted in the dealer’s name or the first buyer’s name.
 - The dealer can also register a rollback in the first buyer’s name using the dealer’s address.

Rollback Sold to Second Buyer or Registered in Dealer Name

When the rollback vehicle is subsequently sold to a second buyer or registered in the dealer’s name, the requirements are:

- The California Certificate of Title or Application for Duplicate Title (REG 227).
 - The information for the first **and** second buyers must be completed on the back of the title, with “I” and “II” etc. shown in front of each buyer’s information.
- A Statement to Record Ownership (REG 101) completed in the second buyer’s name showing the name of the legal owner/lien holder, if appropriate.
- Lien Satisfied (REG 166) from the lien holder, if any, for the first buyer.
 - A REG 166 is not required if financing was **not** approved for the first sale, if the information was entered in error, **or** if the lien holder for the second buyer is the same as for the first buyer.

NOTE: Dealers can complete a Statement of Facts (REG 256) or a Statement of Error/Erasure (REG 101) for legal owner information entered on the title in error.

11.040 Used Vehicle Rollback, *continued***Rollback Sold to Second Buyer or Registered in Dealer Name, *continued***

- A Statement of Facts (REG 256) completed which contains all of the following:
 - The name of the buyer who returned the vehicle **and** the date returned.
 - The reason the vehicle was returned (for example, credit unavailable).
 - If the vehicle was voluntarily returned by the buyer.
 - How the vehicle was sold (under conditional contract, chattel mortgage, etc.).
 - If there was a trade-in and if it was returned to the buyer.
 - If a down payment was returned **and** whether it was a cash down payment or cash in addition to a trade-in.
- A bill of sale from the first buyer to the dealer. If the first buyer is unavailable or refuses to sign a bill of sale to the dealer, indicate this on a Statement of Facts (REG 256).
- Report of Sale–Used Vehicle (REG 51), one completed for the first buyer **and** another for the second buyer.
- Odometer mileage disclosure for each buyer.
- A smog certification, if appropriate.
- Two transfer fees and any other fees due.

11.045 Transfer Without Probate (CVC §5910; Probate Code §§6401, 6402, 13050)

- An Affidavit for Transfer Without Probate (REG 5) may be used to transfer ownership of a vehicle **titled in California** when the registered owner or legal owner (an individual) is deceased, provided:
 - 40 days have elapsed since the date of death of the owner, **and**
 - the value of the decedent’s property in California **does not exceed \$100,000**, excluding any vehicle, vessel, manufactured home, mobile home, commercial coach, or floating home.
- The REG 5 cannot be used to circumvent the interest of a surviving owner when a vehicle is jointly owned by one or more persons and one is deceased.
- If the primary beneficiaries are the next of kin, or a sole beneficiary or all beneficiaries under the last will of the decedent, a ***transfer without probate may be executed without:***
 - procuring Letters of Administration, Letters Testamentary, **or**
 - awaiting probate of a will by the surviving next of kin, the guardian or conservator of the estate of the next of kin, a trustee, under a trust agreement by the deceased.

11.045 Transfer Without Probate (CVC §5910; Probate Code §§6401, 6402, 13050), *continued*

In addition to the basic transfer requirements, the following apply:

- An Affidavit of Transfer Without Probate (REG 5) completed and signed by the heir must be submitted with the application.
 - A REG 5 **cannot** be signed by power of attorney.
 - At least 40 days must have elapsed since the date of death of the owner.
- The heir **must** sign for the deceased owner on Line 1 of the Certificate of Title.
 - **For Example:** *Richard Roe by Cynthia Roe*
- A transfer fee is due for the heir and each subsequent owner/buyer.
- Use tax is not due if the applicant completes the REG 5 and the vehicle is not being transferred to another person's name.
 - If the vehicle is being transferred to other than the person who signed the REG 5, use tax is due or a Certificate of Use Tax Clearance (BOE 111) from the Board of Equalization must be submitted
- When the vehicle is jointly owned by two or more persons and all owners are deceased, an Affidavit for Transfer Without Probate (REG 5) is required **only** for the last surviving co-owner.
 - In addition, a certified copy of the death certificate for **each** deceased co-owner, and a Statement of Facts (REG 256) from the heir are required.

NOTE: A transfer **cannot be** processed prior to the 40-day period following the owner's death.

- The department will accept deposit of renewal fees only to avoid a penalty when the registration will expire within the 40-day period.
- A REG 5 **cannot** be submitted for a vehicle **not titled** in California.
 - Letters of Administration or Letters Testamentary **are required** in addition to non-resident clearance requirements.

11.050 Transfer With Letters of Administration

When a person dies **without leaving a will** and an interested party (usually an heir) files a petition to the Superior Court, the court appoints an administrator 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 his/her behalf for the estate.
 - Where the Public Administrator is the administrator of an estate, a Deputy Public Administrator may countersign for the Public Administrator.

11.050 Transfer With Letters of Administration, *continued***In addition to the basic transfer requirements, the following also apply:**

- The Certificate of Title **must be** signed for the deceased owner and countersigned by the administrator.
For Example: Lynn Smith, Administrator of Estate of Richard Roe
- The original or a certified copy of Letters of Administration must accompany the transfer application.
— Letters of Administration issued by an out-of-state court are acceptable.
- Use tax is due or a Certificate of Use Tax Clearance (BOE 111) from the Board of Equalization must be submitted.

NOTE: Letters of Administration with Will Annexed may be accepted for the same purposes as Letters of Administration provided 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

- state “no authority without a specific court order,” **and**
- are supported by that court order.

11.055 Transfer With Letters Testamentary

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 basic transfer requirements, the following also apply:

- The Certificate of Title must be signed for the deceased owner and countersigned by the Executor/Executrix.
For Example: Joe Smith, Executor for the Estate of Mary Roe
- The original or a certified copy of the Letters Testamentary must accompany the application for transfer.
— Letters Testamentary issued by an out-of-state court are acceptable.
- Use tax is due or a Certificate of Use Tax Clearance (BOE 111) from the Board of Equalization must be submitted.

11.055 Transfer With Letters Testamentary, *continued*

NOTE: Letters of Administration with Will Annexed may be accepted for the same purposes as Letters of Testamentary provided 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

- state “no authority without a specific court order,” *and*
- are supported by that court order.

11.060 Transfer With Spousal Court Orders (CVC §5909)

- When the *spouse of the deceased* petitions the court for the property of the decedent, the court issues a Spousal Property Order listing the property awarded to the deceased’s spouse.
- When the property is a vehicle, the court order should show the make and vehicle identification number.

In addition to the basic transfer requirements, the following also apply:

- Line 1 of the Certificate of Title must be signed with the name of the decedent and countersigned by the spouse.

For Example: *John Walker, deceased, by Mary Walker, wife*

- A certified copy of the Spousal Property Order listing the vehicle being transferred must be submitted.
- If the Spousal Property Order does **not** show the make and identification number of the vehicle, a *Statement of Facts* (REG 256) may be submitted indicating that the vehicle mentioned in the order is the one being transferred to the spouse.

11.065 Transfer to “Estate Of”

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

In addition to the basic transfer requirements:

- The new owner section on the back of the title must be completed showing “Estate of (name of individual)” and that individual’s address.
- The name and address of the legal owner/lien holder named on the front of the title, if any, must be reentered on the back of the title.

— If the interest of the legal owner/lien holder has been released, do not reenter the information on the back of the title.

11.065 Transfer to “Estate Of,” *continued*

- A Statement of Facts (REG 256) is required which states:
 - The owner is deceased and Letters Testamentary have not been issued
 - The relationship of the deceased to the person completing the REG 256.
- A transfer fee is due. **Use tax and a smog certification are not required.**

11.070 Transfer on Death (TOD) Beneficiary

The sole 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.
- Only one registered owner and one designated TOD beneficiary can be shown on the vehicle/vessel title.
- The TOD beneficiary may be an individual, corporation, trust, partnership, association, or other entity.
- A fee to add, delete, or change a TOD beneficiary is due in addition to any other fees.

Adding a TOD Beneficiary

To add a TOD beneficiary, the registered owner must complete the new registered owner section on the back of the vehicle/vessel title as follows:

- **First line of name**—the registered owner’s name is entered as usual.
 - Only one registered owner name is permitted.
- **Second line of name**—the abbreviation “TOD” is entered followed by the beneficiary’s name.
 - Only one beneficiary name is permitted.
- Registered owner’s address information—completed as usual.
- The signature of the registered owner is required
 - The registered owner **does not** have to sign Line 1 of the title to add, change, or delete a beneficiary.
 - The beneficiary’s signature **is not** required except when the registered owner is deceased.

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 submitting the vehicle/vessel title or Application for Duplicate Title (REG 227) completed **without** a TOD beneficiary designation **or** by selling/transferring the vehicle.

11.070 Transfer on Death (TOD) Beneficiary, *continued***Transfer of Ownership to Beneficiary**

Upon the death of the registered owner, ownership may be transferred to the TOD beneficiary. The requirements are:

- The vehicle/vessel title or Application for Duplicate Title (REG 227).
 - The beneficiary must sign the name of the registered owner and countersign on Line 1 of the title or Section 4 of the REG 227.
- A Statement of Facts (REG 256) completed by the beneficiary stating the date and place of the owner's death and that he/she is 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.**

11.075 Transfer with COMPRO, JTRS, TENANTS IN COMMON

- When “**COMPRO**” (Community Property) follows the names of co-owners, ownership passes to the surviving owner **after** the deceased co-owner's interest is executed with Letters Testamentary, Letters of Administration, or Transfer Without Probate form (REG 5).
 - The signature of the surviving co-owner is required to release vehicle ownership.
- When “**JTRS**” (“Joint Tenants with Right of Survivorship”) follows the names, all owners must release interest during the lifetime of the co-owners.
 - Upon the death of one co-owner, title is released by the survivor with a copy of the deceased owner's death certificate.
- When “**Tenants in Common**” follows the names of co-owners, the interest of a deceased co-owner reverts to the deceased co-owner's **estate, not** to the surviving co-owner.
 - The transfer can be executed with Letters Testamentary, Letters of Administration, or *Transfer Without Probate form* (REG 5), together with the surviving co-owner's signature.

11.080 Transfer of Indian-Owned Vehicles**Transfer to a California Indian Tribe and/or Tribal Member:**

- A vehicle owned or leased by a California Indian tribe **or** tribal members living on a federal Indian reservation or rancheria located in California and operated on public roads on or off the reservation or rancheria is ***exempt from the vehicle license fee (VLF) only.***
- The application must include an Indian Certification on the Miscellaneous Certifications form (REG 256A) completed and signed by a representative of the tribe or an official of the U.S. Government Bureau of Indian Affairs.
- If registration fees have already been paid on the vehicle when it is transferred, the VLF exemption will apply on the next renewal.

11.080 Transfer of Indian-Owned Vehicles, *continued***Transfer to a Federally-Recognized Indian Tribes (CVC §9104.5 and R&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 **except** the annual registration fee.
- The exemption must be established annually upon renewal.
- If renewal fees **are due**, in addition to the usual transfer requirements, the application **must** include:
 - (A) A properly completed Indian Certification on the Miscellaneous Certifications form (REG 256A).

OR

- (B) A letter written on Indian tribal letterhead **and** signed by an authorized tribal counsel member such as the tribal chief or secretary. The letter must:
 - identify the vehicle, *and*
 - state it is owned by, and registered in, the federally-recognized Indian tribal name, *and*
 - that it will be used exclusively within the boundaries of Indian tribal land, including any incidental operation on the highways within those boundaries.

AND

- (C) The registration fee, in addition to any other fees or use tax due.
 - Use Tax is not due if the vehicle is delivered to an Indian owner on an Indian Reservation and will be stored or used principally on the reservation.
 - A Statement of Facts (REG 256) must accompany the application.

Transfers between Qualifying Indian Tribes/Tribal Members:

A completed Indian Certification on the *Miscellaneous Certifications form* (REG 256A) from the new owner is required in addition to the usual transfer requirements.

Transfer from Indian-Owned to Other than Qualifying Indian:

Prorated VLF from the month of transfer or date of first operation by the buyer to the end of registration year is due in addition to the usual transfer requirements and fees.

11.085 Transfer To/From Nonresident Military Personnel (NRM)

The vehicle license fee (VLF) portion of the registration fees **is not** due for a vehicle owned by a nonresident military (NRM) person when the vehicle and the duty station for the NRM owner are **in** California.

Transfer from NRM to NRM:

If ownership is being transferred from one NRM owner to another NRM owner, a Nonresident Military Exemption Statement (REG 5045) completed by the NRM buyer **must be** submitted with the transfer application.

Transfer from Regular Registration to NRM:

- If ownership is being transferred to an NRM owner and renewal fees are due, a Nonresident Military Exemption Statement (REG 5045) completed by the NRM owner **must be** submitted with the transfer application.
- If renewal fees are not being collected with the transfer, a REG 5045 is not required until the next registration period. The VLF already paid will not be refunded to the NRM owner.

Transfer from NRM to Regular Registration:

Prorated VLF from the month of transfer or date of first operation by the buyer to the end of registration year is due in addition to the usual transfer requirements and fees.

11.090 Exempt Agency Transfers

Exempt agencies such as a California state agency or a U.S. government agency are exempt from all fees except fees for duplicate or substitute plates or documents.

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.

11.095 Leased Vehicle Transfers

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.

Lessor-Retailer (CVC §373) Sales:

A Report of Sale-Used Vehicle (REG 51) is not required for the sale by a lessor or renter of a previously leased or rented vehicle if the buyer is 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 buyer for agricultural, business, or commercial purposes.
- A government or governmental agency or instrumentality.

If sold to other than the persons listed above, a REG 51 is required.

Change of Lessee only:

In addition to basic transfer requirements the following are required:

- The signature of the lessor must appear on the front and the reverse side of the Certificate of Title on the appropriate lines.
- The new owner section on the reverse side of the title must be completed to show the names of both the lessor and the new lessee.
- Odometer mileage disclosure, if appropriate. The same employee cannot sign for both the lessor, as seller, and the lessor, as buyer.
- A smog certification (because the person in possession of the vehicle has changed).
- 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:

In addition to basic transfer requirements the following are required:

- The lessor's release on line 1 on the front of the title
- The new owner section on the reverse side of the title must be completed.
 - If the lessee pays off the lease and then sells the vehicle to a third party, a bill of sale/REG 262 must be submitted from the lessee to the third party
- Odometer mileage disclosure, if appropriate.

11.095 Leased Vehicle Transfers, *continued***Change from Lessor to new buyer, *continued***

- 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.

11.100 Transfers Involving Conservators or Guardians

- 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 his/her 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.

11.100 Transfers Involving Conservators or Guardians, *continued***In addition to the basic transfer requirements, the following apply:**

- The endorsement on the Certificate of Title **must** show the name of the registered owner and be countersigned by the conservator/guardian.
— **For Example:** *John Doe by Jane Smith, Conservator*
- A copy of the appointment letters, certified by the clerk of the court, or a photocopy of the certified copy **must** accompany the transfer application.

11.105 Non-Transfer Changes to Registered Ownership

- Some types of registered owner changes **are not** transfers, but **do require** the owner's signature(s).
— These are processed as *no fee* changes.
— A new Certificate of Title is issued.

Examples:

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

- Signatures releasing the ownership as shown on the title are required as appropriate.
— The new owner section on the reverse of the title is completed as usual.
— A Statement of Facts (REG 256) should be submitted to explain the changes.

NOTE: For name changes to the registered or legal owner, see Chapter 22, Corrections and Adjustments.

11.110 Transfer of Vehicles Issued a California (Goldenrod) Registration Only

When the California registration card contains the notation “*This Vehicle Not Transferable*,” the outstanding out-of-state (or previous California) title **must be** submitted before a new California Certificate of Title can be issued.

The transfer requirements are:

- An Application for Registration or Title (REG 343) in the buyer's name.
- The out-of-state or California title properly endorsed for transfer to the buyer.

11.110 Transfer of Vehicles Issued a California (Goldenrod) Registration Only, *continued*

NOTE: A bill of sale from the owner shown on the title is acceptable in lieu of the owner's release on the title.

- A lien satisfied is acceptable in lieu of the legal owner/lienholder release on the title (does not have to be notarized).
- **The diligent effort process cannot be used to transfer a vehicle with a goldenrod registration.** The non-resident evidence of ownership or a motor vehicle bond is required.

- Any bills of sale needed to establish a complete chain of ownership to the current buyer.
- The Report of Sale–Used Vehicle (REG 51), if applicable.
- A smog certification, if appropriate.
- Odometer mileage disclosure, if appropriate.
- Fees.

11.115 Transfer Only on Unrecovered Stolen or Embezzled Used Vehicles

In addition to the basic transfer requirements the following are required:

- The owner must complete a Statement of Facts (REG 256) requesting “transfer only”.
 - This can be an individual, dealer, financial institution, or insurance company.
- The owner must complete a Stolen or Embezzled Vehicle Certification (REG 256A).
- Transfer fee and any other fees due must be paid.
 - Registration fees/penalties do not accrue as a result of the operation of an unrecovered stolen vehicle.
 - Fees/penalties due at the time of theft or embezzlement **must** be paid.

NOTE: A PNO certification **is not** applicable for an unrecovered stolen vehicle. A Salvage Certificate **cannot** be issued for an unrecovered stolen vehicle.

11.120 Transfer With Parking Violation Citations on File (CVC §4764)

The new owner is not responsible for the parking violation citations incurred by the previous owner.

- The parking violations will be removed by the department if issued prior to the transfer date of the owner.
- Any parking violations belonging to the new owner must be cleared by the parking agency or paid with the transfer before the transfer application can be cleared.

11.125 Transfer With Owner Responsibility (OR) Citations on File (CVC §4002.1)

The new owner is not responsible for the OR citations incurred by the previous owner.

- The OR citation hold (VLT stop, RCC 48) will be removed by the department if the new owner name is different than the name on the citation.
- If any OR citations on the record belong to the new owner, Proof of OR Citation Clearance (DL 106R) **and** \$7 OR fee for each citation must be submitted for those citations before the transfer can be completed.

11.130 Transfer with ARB Enforcement Citations (CVC § 4755)

A transfer cannot be processed when the record reflects an outstanding citation issued to a vehicle owner or operator of a diesel vehicle with a gross weight of 10,000 or more pounds for unnecessary diesel idling.

- The vehicle record will reflect a VLT stop, RCC 91, which generates the message “ARB Enforcement Stop”.
- Although the citation may not belong to the new owner, the citation must be cleared through ARB before the transfer can be processed.
- Customers may contact ARB at (916) 322-7061 for citation clearance information.

11.135 Trust Transfers (CVC § 5600)

- Establishment of a trust commits the property or assets of one or more individuals to a trustee for safekeeping. The trust is an entity that becomes the owner of the vehicle.
- A **trustor** creates the trust, and the **trustee(s)** are appointed to execute the trust. If one or more of the trustees are unable to execute the trust, **successor trustee(s)** may be appointed.
- A transfer from an individual(s) to the trust is handled as a regular transfer. In addition to the basic transfer requirements, the following are required:
 - The individual(s) shown on the title as the current registered owners must release the vehicle according to current procedures.
 - The name of the trust and the name(s) of the trustees must be shown in the new registered owner section on the back of the title.

For example: SMITH FAMILY TRUST UTD 01092001, John S./Mary L. Smith, trustees
 - The endorsement for the trust may be done by either trustee.
 - A Statement of Facts (REG 256) for exemption from smog and use tax may be completed when the transaction appears to involve family members that would otherwise be exempt.
- A transfer from the name of the trust must contain the name of the trust and the signature(s) of one or more trustees as shown on the title.
 - See Chapter 1, General Registration Information, for additional signature requirements for trusts.

11.140 Repossession

- In addition to the basic transfer requirements:
 - Print “REPO” on line 1 of the title in lieu of the registered owner’s release.
 - Submit a completed Certificate of Repossession (REG 119)
- When a repossessed vehicle is sold through a Wholesale Auto Auction, all penalties will be waived if the registration fees are paid **within 60 days** of the repossession date or the date the vehicle is sold through the auto auction.
 - Posting fees on an RDF fulfills this requirement.
- A repossession fee **and** a transfer fee are due if the vehicle is registered to other than the reposessor.

11.145 Involuntary Transfers, Government Actions**Attachment Sales (CVC 5909)**

An attachment is a legal seizure of a vehicle or other property by a constable, sheriff, marshal, or other entity.

- Attachment against the registered owner **does not** affect the interest of the legal owner/lien holder **and** attachment against the legal owner/lien holder **does not** affect the interest of the registered owner.
- The Certificate of Release (GSA Standard Form 97) attachment document disposes of both the registered and legal owners’ equity.

In addition to the basic transfer requirements:

- A vehicle verification is required if there is **no prior** California vehicle record.
- If available, the California Certificate of Title or nonresident title endorsed/released by the legal owner/lienholder, if other than the judgment debtor, must be submitted.
 - If no title is available, the transfer must be completed on an Application for Duplicate Title (REG 227) or an Application for Registration or Title (REG 343).
- If evidence of mailing to the legal owner/lienholder is submitted **and** the legal owner/lienholder **has not** responded within 30 days, the application is acceptable without the legal owner/lienholder’s release.
- Submit the original or a certified copy of the Certificate of Sale or Certificate of Release (GSA Standard Form 97) issued by the attaching officer, which contains:
 - the name and address of the purchaser,
 - the vehicle make and VIN,
 - the name of the creditor or defendant (this name must match the department’s record), and
 - the names of the plaintiff and the defendant.

11.145 Involuntary Transfers, Government Actions, *continued***Bankruptcy Sales (CVC §5909)**

When a vehicle is sold in a bankruptcy proceeding, the following are required in addition to the basic transfer requirements:

- A certified copy of the trustee’s bond **or** the court order appointing a receiver **or** a court order confirming the sale of the vehicle must be submitted.
- The trustee or receiver **must** sign wherever the debtor’s signature is required.
- The release signatures of owners other than the debtor **must be** obtained.

Divorce Actions

In addition to the basic transfer requirements:

- A certified copy of the Judgment of Dissolution must be submitted which:
 - awards the vehicle to the applicant, *and*
 - describes the vehicle by make, vehicle identification number (VIN), and year model.
- If a full description of the vehicle is not shown on the document, a Statement of Facts (REG 256) may be completed which:
 - provides the vehicle descriptive information, *and*
 - states that the vehicle awarded to the applicant is the same one that is shown on the document.

NOTE: Either the date marital status ends or the date filed (stamped) in the upper right corner of the Judgment of Dissolution (signed by a judge) is acceptable for transfer.

Foreclosures or State Controller Sales (CVC §5909)

In addition to the basic transfer requirements:

- Attach a Certification of Foreclosure or Certificate of Sale from the Controller:
 - describing the vehicle by make and VIN, *and*
 - stating the requirements of the contract and law (notification, posting, and advertising) have been met.
- A vehicle verification is required if there **is** no California vehicle record.
- In lieu of registered owner’s release on the title, show “Clearing CVC §5909.”

NOTE: If foreclosure was not done by the legal owner/lienholder, the legal owner/lienholder must endorse the title or a Lien Satisfied (REG 166) is required.

11.145 Involuntary Transfers, Government Actions, *continued***Governmental Actions (CVC §5909)**

Government agencies acquire vehicles through court actions due to drug related offenses or because of delinquent taxes or other violations.

- Those vehicles operated beyond the prescribed mileage and/or years which are no longer feasible to repair are sold as “surplus” or “surveyed” vehicles.
- If repairs to the vehicle exceed the vehicle value, a government agency may surrender the title, registration, and license plates to the DMV and obtain a junk receipt. (CVC §24005.5[c])

NOTE: Junk receipts are not always issued when the certificates are mailed directly to Sacramento Headquarters.

- These vehicles are usually sold at public auction and the buyer may receive a vehicle title, a junk receipt, a salvage certificate, a court order, or a declaration of forfeiture.
- Basic requirements apply, as applicable to the type of document given to the new buyer by the government agency.

Court Orders—General Information (CVC §5909)

Applications for a vehicle transferred pursuant to a court order must include the following in addition to the basic requirements for the transaction:

- A certified copy of the court order awarding the vehicle.
- A certification by the clerk of the court that no appeal has been made.
- Release by the registered owner of record **is not** required on the title. In lieu of registered owner’s signature, show “Clearing CVC §5909.”

California Forfeited Vehicles (H&SC §§11488.4j and 11489)

The attorney general (AG) or the jurisdictional district attorney (DA) may sell vehicles seized by, or forfeited to, a California state or local agency.

The registration requirements for vehicles forfeited in this manner are:

- Proof of ownership (The Certificate of Title for a **California-registered** vehicle **or** an Application for Title or Registration (REG 343) **and** the nonresident title, if available, for a **nonresident** vehicle.)
- The written declaration of forfeiture document from the AG or jurisdictional DA.
 - The written declaration of forfeiture signed by the jurisdictional DA shall provide good and sufficient title to the vehicle (with or without the title). (CVC §14605.6e [3])

11.145 Involuntary Transfers, Government Actions, *continued***California Forfeited Vehicles (H&SC §§11488.4j and 11489), *continued***

- A vehicle verification **if** there **is** no vehicle record on the department's database **or** the California Certificate of Title is submitted.
- A bill of sale from the selling agency (**or** its agent) to the buyer which:
 - Shows the buyer's name(s) **and** the vehicle descriptive information.
 - Is signed/countersigned by the selling agency **or** its agent.

NOTE: A Vehicle/Vessel Transfer and Reassignment Form (REG 262) or a Bill of Sale (REG 135) may be used.

- Odometer mileage disclosure, if appropriate.
- A smog certification, if appropriate.
- A Report of Sale–Used Vehicle (REG 51), if applicable.
- Fees. (Prior year fees/penalties originating prior to the date of sale to the registrant are **not** due on a vehicle forfeited to a California Agency under H&SC §§11470[h] and 11488[j]).

Federal Forfeiture Sales (CVC §5909)

The registration requirements for vehicles forfeited to government agencies for violation of federal laws are:

- The California Certificate of Title, if available, **or** an Application for Title or Registration (REG 343), **and** the nonresident title, if available.
- In lieu of signatures on the title, the Certificate of Release (GSA Standard Form 97) which declares the vehicle U.S. government property, names the buyer(s), and describes the vehicle is acceptable.
 - **Any legal owner's interest is extinguished when the vehicle is sold through forfeiture.**
- A vehicle verification unless a vehicle record exists on the department's database **or** the California Certificate of Title is submitted.
- Odometer mileage disclosure, if appropriate.
- A smog certification, if appropriate.
- A Report of Sale–Used Vehicle (REG 51), if applicable.
- Fees.
 - Any fees and/or penalties which accrued prior to purchase of the vehicle by the new owner will be waived.

11.145 Involuntary Transfers, Government Actions, *continued***Internal Revenue Sales (CVC §5909; IRS Code §6335)**

The Internal Revenue Service may seize and sell a vehicle for delinquent taxes.

- The buyer of the vehicle acquires **only** the registered owner's interest.
- The legal owner of record, if any, retains legal ownership and **must be** shown on the new Certificate of Title unless all interest in the vehicle is released.

NOTE: If the IRS federal tax lien notice is filed **prior to** the perfection of a security interest by the legal owner/lienholder, the new title is issued to the buyer as sole owner of the vehicle.

Registration Requirements:

- The California Certificate of Title **or** an Application for Title or Registration (REG 343) and the nonresident title, if available, as appropriate.
- In lieu of signatures on the title, a Certificate of Sale of Seized Property signed by the collection officer that names the debtor and describes the vehicle.
- A vehicle verification **if** there is no vehicle record on the database **or** the California Certificate of Title is not submitted.
- Odometer mileage disclosure, if appropriate.
- A smog certification, if appropriate.
- The Report of Sale–Used Vehicle (REG 51), if applicable.
- All fees due.

United States Customs Sales (CVC §5909)

The United States (U.S.) Customs Office may seize and sell vehicles for federal violations.

Registration Requirements:

- The California Certificate of Title, **or**
an Application for Title or Registration (REG 343) and the nonresident title, if available, **or**
a Certificate of Release (GSA Standard Form 97), as appropriate.
- In lieu of signatures on the title, a bill and/or receipt from the U.S. Customs Office signed by the Cashier of Customs with the buyer's name(s) and the vehicle description.
- A vehicle verification if there is no vehicle record on the DMV database **or** the California Certificate of Title is not submitted.
- Odometer mileage disclosure, if appropriate.
- A smog certification, if appropriate.
- The Report of Sale–Used Vehicle (REG 51), if applicable.
- All fees due.

11.145 Involuntary Transfers, Government Actions, *continued***Military Sales**

Under the provisions of U.S. Public Law 39, vehicles abandoned on U.S. government property are sold by U.S. government agencies, principally military bases.

Registration Requirements:

- The California Certificate of Title **or** an Application for Title or Registration (REG 343), as appropriate.
- Evidence of notice regarding sale of vehicle from a government agency to the last owners of record.
 - The notice should describe the vehicle, name the owners, and state that the owners were notified.
- In lieu of signatures on the title, a bill of sale or the Certificate of Sale by U.S. government agency.
- A vehicle verification if there is no vehicle record on the DMV database **or** the California Certificate of Title is not submitted.
- Odometer mileage disclosure, if appropriate.
- A smog certification, if appropriate.
- The Report of Sale–Used Vehicle (REG 51), if applicable.
- All fees due.

Welfare and Institutions Code Sales

The *California Welfare and Institutions Code* contains a provision for disposing of certain properties of inmates of institutions.

Registration Requirements:

- The California Certificate of Title **or** an Application for Title or Registration (REG 343), as appropriate.
- In lieu of the registered owner’s signature(s) on the title, an affidavit giving:
 - authority for 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 W&IC concerning notices.
- Release by any legal owner/lienholder on the Certificate of Title **or** evidence that the lien has been satisfied. A Lien Satisfied/Title Holder Release (REG 166) may be used.
- A vehicle verification **unless** there is a vehicle record on the DMV database **or** the California Certificate of Title is submitted.
- Odometer mileage disclosure, if appropriate.
- A smog certification, if appropriate.
- The Report of Sale–Used Vehicle (REG 51) if applicable.
- All fees due.

11.150 Unavailable Legal Owners

When all efforts to contact a legal owner/lienholder of a vehicle in order to obtain a release of interest or lien satisfied have been exhausted, a Motor Vehicle Bond may be accepted in lieu of the release by the legal owner/lienholder using the following procedures.

The **bond is required regardless of the value** of the vehicle.

Legal Owner is an Individual or a 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) 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.

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.

Legal Owner is a Dealer Out of Business (as determined by the department’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 departmental records.

In addition to all transfer or nonresident requirements, the following are required:

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)

DOB Contact Chart (continued)

<i>If...</i>	<i>then...</i>
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) 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.

NOTE: This procedure **cannot** be used if the department's records **do not** indicate dealer out of business. A release or lien satisfied from the dealer is required.

Legal Owner is a Bank or a Financial or Lending Institution

- When the bank or financial/lending institution shown as the legal owner/lienholder of record **cannot** be located for a release or lien satisfied, the possibility exists that the financial institution may have:
 - moved,
 - gone out of business,
 - merged with another institution, *or*
 - changed its name.
- 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) 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.

11.150 Unavailable Legal Owners, *continued***Legal Owner is a Bank or a Financial or Lending Institution, *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 evidence. Sufficient time (at least 30 days) must have elapsed to give the recipient time to respond.

— Any fees due

- The department will research the application to determine whether or not a financial institution or a successor exists and will advise the applicant of any additional requirements.

11.155 Notice of Release of Liability (CVC §§5602 and 5900)

- The registered owner or the person in physical possession of a vehicle being sold or transferred **must** submit a **completed** Notice of Release of Liability (NRL) (REG 138) to the department within five calendar days of the sale/transfer.

— This can be done using the paper REG 138 or online (referred to as an IRL) at the DMV Internet website, as explained in this section.

— The department **cannot** update the vehicle record if the transfer data is missing.

- Owners who sell/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 the department or has submitted to the department the documents and fees required to transfer ownership of the vehicle to the new owner.

- When a REG 138 is completed, it must be sent to:

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

Internet Notice of Release of Liability (IRL)

- Owners may submit a Notice of Release of Liability (REG 138) online at the DMV Internet website, www.dmv.ca.gov and print a copy for their records.
- The vehicle record is normally updated within 3 business days.

