

House Research Act Summary

CHAPTER: 224

SESSION: 2004 Regular Session

TOPIC: Motor vehicle registration, titling, towing

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- 1 **Registration without title.** Allows the Department of Public Safety to register a vehicle if the vehicle has a Minnesota title and is being held for resale by a motor vehicle dealer.
- 2 **Dealer applying for title.** Deletes the requirement that a motor vehicle dealer who buys a vehicle for resale must procure the title from the owner.

Provides that a dealer who elects to apply for a title for a vehicle the dealer is holding for resale, the dealer is not required to register the vehicle but must pay one month's registration tax. Prohibits the department from marking such a title to the effect that no sales tax has been paid, but may indicate on the title whether the vehicle is new or used.

Requires a dealer who sells a vehicle for removal from the state to remove the plates, issue a 31-day temporary certificate, and notify the state of the removal. Allows a dealer to apply for a certificate of title on a vehicle the dealer holds for resale without having to register the vehicle if the dealer pays one month's registration tax. Provides that if the dealer applies for a title on a vehicle held for resale, the Department of Public Safety may not mark the title to the effect that motor vehicle sales tax has not been paid, but may mark the title to show if the vehicle is new or used.

- 3 **Notice of vehicle held for resale.** Requires a dealer who acquires a vehicle that is already registered and titled in Minnesota to notify the department within 48 hours of the acquisition that the dealer is holding the vehicle for resale. Allows a dealer to contract with a deputy registrar to make the notification, and allows the deputy registrar to charge a \$7 fee for the service.
- 4 **Centralized record keeping.** Allows three or more dealers under common management or control to designate to the department a single location where their vehicle title records more than a year old will be kept. Requires such a location to be open to inspection by a peace

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officer or the department during business hours. Requires the location to be at one of the dealer's place of business, or at a location within 25 miles of the location of one of the affiliated dealers.

- 5** **Unauthorized vehicles.** Allows a vehicle to be impounded if it has been left unattended on the property of a vehicle service or repair business for five days after the vehicle owner has been notified of the property owner's intent to have the vehicle removed.
- 6** **Towing of vehicles.** Allows a vehicle repair or service facility to remove an authorized vehicle from the property after giving 5-day notice to the vehicle owner by certified mail. Exempts the property owner from civil liability arising from removal of the vehicle by a towing service. Requires vehicles so removed to be disposed of in the same manner as other unauthorized vehicles.