HOUSE RESEARCH

Bill Summary

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Version: First engrossment

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Subject: Motor vehicle title transfer-on-death

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Overview

This bill establishes a mechanism for a motor vehicle owner to designate a person to whom the vehicle title would transfer upon death of the owners.

Section

- 1 [168A.125] Transfer on death of title to motor vehicle. Provides for designating a recipient of a motor vehicle title upon death of the owners listed on the title.
 - **Subd. 1. Titled as transfer-on-death.** Authorizes title transfer on death.
 - **Subd. 2. Designation of beneficiary.** Specifies the method for identifying who the title recipient would be upon death of all owners named on the title.
 - **Subd. 3. Interest of beneficiary.** Establishes that the named recipient of a title has no claim on the vehicle until death of all owners named on the title, and allows a vehicle owner to change transfer-on-death recipients at any time by applying for a new title.
 - **Subd. 4. Vesting of ownership in beneficiary.** Provides that vehicle ownership changes to the designated recipients upon death, permits vehicle recipients to apply for a new title, establishes that the vehicle is included in probate estate only if no title transfer-on-death designation is made.
 - **Subd. 5. Rights of creditors.** Establishes that the rights of vehicle lienholders, or other creditors of the deceased vehicle owner, are retained following title transfer on death.
- 2 Sale, sells, selling, purchase, purchased, or acquired. Excludes transfer-on-death title

H.F. 1302 Version: First engrossment Page 2

Section

transfers from being treated as a sale subject to the motor vehicle sales tax.