

810-5-75-.17 Title Procedure - Repossessed (1975 and Later Model) Vehicle That Has Been Titled in Another State, First Title in Alabama. Reference: Sections 32-8-1 through 32-8-87, Code of Alabama 1975, as amended. (REPEALED)

(1) Designated agent completes MVT 5-1 (Application for Title). Application must be properly filled in with a typewriter (BLACK INK), signed by owner and designated agent.

(2) Supporting Documents:

(a) Surrender of out-of-state title.

(b) Completed form MVT 5-1 (Revised) (Repossessed Motor Vehicle Affidavit) or out-of-state equivalent form properly completed made by or on behalf of the lienholder that the vehicle was repossessed and that the interest of the owner was lawfully terminated or sold pursuant to the terms of the security agreement.

(c) Certified copy of bill of sale from reposessor to purchaser, if repossession affidavit does not provide the transfer to the purchaser.

(d) Fee of \$4.00. (§32-8-3(a)(2))

Author: Mike Gamble

Authority: Sections 40-2A-7(a)(5), and 32-8-3(b)(3), Code of Alabama 1975.

History:

810-5-75-.17 Title Procedure-Repossessed Motor Vehicle. (NEW RULE)

(1) Form MVT 15-1, Repossessed Motor Vehicle Affidavit and Disposition of Vehicle Under Lien, must accompany the properly assigned certificate of title whenever a lienholder recorded on the certificate of title repossesses the vehicle in Alabama. An equivalent out of state motor vehicle repossession affidavit must accompany the properly assigned certificate of title whenever the lienholder recorded on a certificate of title repossesses the vehicle outside of Alabama.

(2) A lienholder that repossesses a motor vehicle without recording their lien on the certificate of title shall be required to title the vehicle in their name prior to transferring the vehicle. The unrecorded lienholder must provide the following documents to support their application for certificate of title:

(a) Outstanding certificate of origin or certificate of title issued to or assigned to the owner in default.

(b) Copy of security interest agreement.

(c) Form MVT 15-1, Repossessed Motor Vehicle Affidavit and Disposition of Vehicle Under Lien.

(3) Pursuant to Section 32-8-62, Code of Alabama 1975, when more than one lien is recorded on the certificate of title, such lien(s) shall be subordinate to the first lien. Accordingly, a lien release shall not be required from a subordinate lienholder recorded on a certificate of title whenever the first lienholder recorded on the certificate of title repossesses the vehicle.

Author: Mike Gamble

Authority: Sections 40-2A-7(a)(5), and 32-8-3(b)(3), Code of Alabama 1975.

History: