### NOTICE OF PROPOSED GUIDANCE DOCUMENT

Sell Your Vehicle

Pursuant to Wis. Stat. s. 227.112, the Wisconsin Department of Transportation is hereby seeking comment on Sell Your Vehicle s.341, 342, a proposed guidance document.

#### PUBLIC COMMENTS AND DEADLINE FOR SUBMISSION

Comments may be submitted to the Wisconsin Department of Transportation for 21 days by:

1. Department's website:

https://appengine.egov.com/apps/wi/dot/guidance-docs?guidDocId=DMV331

2. Mailing written comments to:

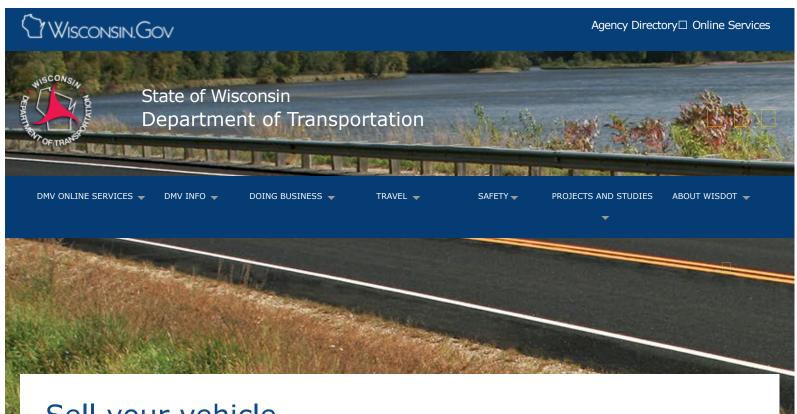
Division of Motor Vehicles Wisconsin Department of Transportation 4822 Madison Yards Way PO Box 7336 Madison, WI 53707-7336

### WEBSITE LOCATION OF FINAL GUIDANCE DOCUMENT

The final version of this guidance document will be posted at <u>wisconsindot.gov</u> to allow for ongoing comment.

#### **AGENCY CONTACT**

DOTDMVGuidanceDocs@DOT.WI.GOV



# Sell your vehicle

Car buying and selling

Misleading car ads

Purchase cancellation

Selling a vehicle

Unlicensed car dealers

Vehicle buyer's guide - "Wise Buys"

Vehicle history information

☐ Odometer Tampering

brochure

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☐ Smart Buying

brochure

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Selling your vehicle can be simple, but to avoid problems between you and the buyer, you should know what the law requires.

# Before you sell your vehicle

- Have a vehicle title in your name.
  You must have a title to the vehicle in your name, even if you have never driven the vehicle.
  You can sell a vehicle that isn't titled to you only if you are a licensed dealer.
- Pay what you owe before you sell the vehicle. If you owe money for the vehicle, your title will show a lien holder (a lender). You must pay what you owe and get a lien release from the lender. If your lender holds your title, contact them for instructions on releasing your lien and obtaining the title.

## After you sell your vehicle

### Once you've sold the vehicle, you must do the following:

- Complete seller notification if it was a private sale from one individual to another individual.
- Sign and date the title in the area for the signature of the selling owner or owners. If the title shows more than one owner and the names are separated by the word "and," all owners shown must sign. If the word "or" separates the names, any of the owners shown may sign. If you lost the original title you will have to apply for a replacement title. Sign the replacement and give it to the buyer even if you find the original. The original becomes invalid when a replacement title is issued.
- Fill in the vehicle odometer mileage statement on the title. This is required under federal law.
- Complete the brand disclosure area on the title (if applicable).
- Fill in the selling price on the title. The Department of Revenue checks titles and investigates suspiciously low sale prices.
- Fill in the name and address of the buyer or buyers on the title.
- If there is a lien listed on the title, provide the buyer with a lien release document from your lien holder; the buyer will need both documents to get a title.
- Remove the license plates from the vehicle. You may transfer them to another vehicle you own. If the vehicle is a truck registered at 10,000 pounds or more, a farm truck registered at 16,000 pounds or more, a moped, a trailer or a recreational vehicle trailer, the license plates stay with the vehicle and do not need to be removed.

#### Bill of sale

If you wish to have a record of the sale, you may also complete the Instructions for Selling a Vehicle form MV2928. The Bill of Sale is provided for your convenience, it is not a required form. You may keep a copy with your records, and make a copy for the buyer as documentation of the sale.



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#### Odometer statement

If your vehicle is less than 10 model years old, or is otherwise not exempt, write in the odometer reading - even if you sell to a family member. The current calendar year minus your vehicle's model year equals your vehicle's age. The odometer reading is the number of miles on the vehicle, not on the engine (even if the engine is newer than the rest of the vehicle). Write the miles in the space provided on the title and show whether the miles are:

- Actual = The odometer has always worked properly and recorded all miles the vehicle has traveled.
- Not Actual = The odometer statement was not filled out by the owner at the time of sale; the odometer was replaced and set at zero because of a repair; the odometer stopped working and the vehicle was driven more than 30 days before repair; or, the odometer numbers were

turned back.

• In Excess of Mechanical Limits = The odometer showed 99,999 miles and turned to zero, instead of to 100,000.

Note: Only 6-digit odometers can record more than 100,000 miles. Don't record tenths of miles on the title.

Learn more about odometers

#### Brand disclosure

A "brand" is a permanent notation on the vehicle record that gives a prospective buyer important information about the history of a vehicle.

Note: There are penalties up to \$5,000 for failing to disclose title brand information.

Your title must be branded if, during the time you owned the vehicle, you could answer "yes" to any of the following questions:

- Was your vehicle used as a taxi or for public transportation?
- Was it salvaged? A "salvage" brand is needed if your vehicle is less than seven model years old and was damaged more than 70% of its fair market value. If your vehicle was salvaged, repaired and passed inspection, your title should have the brand "rebuilt salvage."
- Was it flood damaged? A "flood damaged" brand is needed if water damage was more than 70% of its fair market value.
- Was it used as a police vehicle?

The brand "manufacturer buyback" on your title means the vehicle was bought back under the Lemon Law. A brand of "STFARM NOT INSPECTED" is placed on a vehicle declared by State Farm Insurance as a total loss, but not submitted as salvage, and was part of the State Farm settlement with the Department of Justice. The vehicle has not passed an inspection by a certified state salvage inspector. This is not a salvage brand.

Learn more about brands

## Transfer plates to your next vehicle

If you sell your vehicle and your plates aren't expired, you can transfer them to a vehicle of the same type that is titled to you, your spouse, or same sex domestic partner. You can't transfer your plates to the buyer - even if it's another family member. If you don't use the plates, you can't get a refund for any remaining registration time.

Learn more on transferring plates and registration refunds



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## Sell the right way to dealers

# Tell the truth about your trade-in

Title branding laws that apply when you sell your vehicle privately also apply when you trade it in to a dealer. A dealer may ask you to guarantee the condition of your trade-in under "Buyer's Representation" on the purchase contract. You must give accurate information, or the dealer may be able to sue you in court.

# Junk it right

### Junk the title if you junk the vehicle

If you sell your vehicle as junk, and you don't want the vehicle to be driven again, write the word "Junk" across the title before you give it to the buyer or salvage dealer.

If you lost your title, you don't need a replacement title to junk the vehicle. You can show the certificate of vehicle registration or Confirmation of Ownership as proof you own the vehicle, and sign a junk bill of sale.

Note: Once a vehicle is junked, it can never be titled or licensed again, even if someone repairs or restores it.

#### Call for a dealer license

### Get a dealer license to sell more than five vehicles a year

Wisconsin law says you can sell up to five vehicles (titled in your name) in 12 months. If you sell more than five, or if you buy even one vehicle for the purpose of reselling it, you must have a dealer license. Contact the DMV Dealer & Agent Section at (608) 266-1425 or dealerlicensingunit@dot.wi.gov

### Sell it right

- Have a vehicle title in your name.
- Pay what you owe before you sell the vehicle.
- Keep the title until the buyer pays you.
- Give the most recent title to the buyer.
- Have all owners sign the title.
- Complete the odometer statement.
- Get a title brand if needed.
- Take your plates off the vehicle to avoid tickets.
- Photocopy and save the signed title or bill of sale.
- Transfer plates to your next vehicle not the buyer's.
- Junk the title if you junk the vehicle.
- Get a dealer license to sell more than five vehicles a year.

For more information about selling your vehicle, contact (608) 264-7447 or Wisconsin DMV email service.



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### Related information:

- Dealer complaints
- Dealer field investigation offices
- · Wisconsin's lemon law
- Odometer tampering
- Selling a vehicle points to remember
- Renewal notice for a vehicle that's been sold

If you have questions about dealer licensing:

Email Wisconsin DMV email service

Contact Information

Forms/Notices



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### WisDOT Employees

PTA web

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