

Transmittal Sheet For Notice Of Intended Action

Control: 810

Department or Agency: Revenue

Rule Nos: 810-5-75-.47

Rule Title: Title Procedure - Identification Of Motor Vehicles Returned To The Manufacturer Because Of Nonconformity To Warranty

New; Amended; Repealed; Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? No

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? Yes

Is there another, less restrictive method of regulation available that could adequately protect the public? No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and , if so, to what degree? No

Is the increase in cost, if any, more harmful to the public than the harm that result from the absence of the proposed rule? N/A

Are all the facets of the rulemaking process designed solely for the purpose of , and so they have, as their primary effect, the protection of the public? Yes

Does the proposed rule relate to or effect any matter of litigation which the agency is a party to concerning the subject matter of the purposed rule? No

Does the proposed rule have any economic impact? No

If the proposed rule has an economic impact , the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975 and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency .

Signature of certifying officer
Date 10/20/2020



**ALABAMA DEPARTMENT OF REVENUE
Motor Vehicle**

NOTICE OF INTENDED ACTION

RULE NO. & TITLE

810-5-75-.47

Title Procedure - Identification Of Motor Vehicles Returned To The Manufacturer Because Of Nonconformity To Warranty

INTENDED ACTION

New, Repealed

**SUBSTANCE OF
PROPOSED ACTION:**

In accordance with the Red Tape Reduction Act 2013-88, this rule has been reviewed and is being amended to clarify procedures for manufacturers making application for title for vehicles being bought back under a motor vehicle lemon law. This rule also creates a new form titled: Manufacturer Buy Back (MVT 8-20A). This rule also allows designated agents and titled owners to electronically submit title applications and supporting documents in a manner as prescribed by the department.

TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be conducted at **01:30 PM on Tuesday, December 08, 2020** via web-conference. To participate in the upcoming web-conference public hearing please contact the Tax Policy and Governmental Affairs Division at Taxpolicy@revenue.alabama.gov or 334-242-1380 to obtain the appropriate sign-in information for a specific public hearing date. Copies of the rule(s) can be obtained at <http://www.revenue.alabama.gov/tax-policy/>.

All interested parties may present their views in writing to the **Secretary of the Alabama Department of Revenue, Room 4131, Gordon Persons Building, 50 N Ripley Street, Montgomery, Alabama 36132** at any time following publication of the notice up until the conclusion of the hearing. Interested parties may also may present their views during the web-conference.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:

Tuesday, December 08, 2020

CONTACT PERSON AT AGENCY:

Meagan Barrett

Alabama Department of Revenue
4131 Gordon Persons Building
Montgomery, Alabama 36132
(334) 242-1380



Kelley Askew Gillikin, Secretary
Alabama Department of Revenue

810-5-75-.47 Title Procedure - Identification Of Motor Vehicles Returned To The Manufacturer Because Of Nonconformity To Warranty (**REPEAL**)

(1) The term "Department" as used in this regulation shall mean the Department of Revenue of the State of Alabama.

(2) Section 8-20A-4, Code of Ala. 1975, requires the legend THIS VEHICLE WAS RETURNED TO THE MANUFACTURER BECAUSE IT DID NOT CONFORM TO ITS WARRANTY" be placed on certificates of title issued to the manufacturer due to reasons outlined in the Code. This legend shall be continued on all successive certificates of title.

(3) A specific procedure is needed for motor vehicle manufacturers to follow in obtaining such title certificates.

(4) Therefore, vehicles based in Alabama and required to be registered in this state which are conveyed back to a manufacturer under provisions of Section 8-20A-1/6, Code of Ala. 1975 (commonly known as the Lemon Law), shall require the manufacturer to make application for certificate of title in their name to the Department. The manufacturer may either complete a MVT 51A application (which they may obtain from the Department) and forward to the Department with the required supporting documents, or make application through a designated agent of the Department. The manufacturer is not required to provide an in-state address when titling a "lemon" vehicle pursuant to the Code. Upon approval of these documents, a new Alabama certificate of title will be issued reflecting the legend (brand) required by state law.

(5) Supporting Documents:

(a) Properly assigned certificate of title.

(b) Affidavit stating that vehicle is being titled in name of manufacturer pursuant to the provisions of Section 8-20A-1/6, Code of Ala. 1975, as amended.

(c) Power of attorney if applicable.

(d) Fee (see schedule of Fees and Commissions).

Author: Winston Hyte

Authority: §§ 8-20A-1, 8-20A-6, and 32-8-6 Code of Ala. 1975.

History: **Adopted:** Filed July 20, 1990; November 1, 1990.

Amended: Filed November 5, 1997; effective December 10, 1997.

Repealed: October 20, 2020; effective

810-5-75-.47 Application for Certificate of Title Under the Motor Vehicle
Lemon Law (Manufacturer Buyback) (**NEW**)

(1) If a motor vehicle has been returned to the manufacturer under the provisions of the Motor Vehicle Lemon Law as codified in Chapter 20A of Title 8, Code of Ala. 1975, or a similar statute of another state, whether as the result of a legal action or as the result of an informal dispute settlement proceeding, the manufacturer must:

(a) Make application for certificate of title in their name using the Manufacturer Buy Back Application (MVT 8-20A).

(b) File the application either directly with the department or through a designated agent of the department.

(c) Include the properly assigned certificate of title and the application fee as provided under § 32-8-6, Code of Ala. 1975.

(2) No application in the manufacturer's name will be required if an out of state title has already been issued with a lemon law or similar brand.

(3) Pursuant to §8-20A-4, Code of Ala. 1975, the brand "THIS VEHICLE WAS RETURNED TO THE MANUFACTURER BECAUSE IT DID NOT CONFORM TO ITS WARRANTY" must be placed on certificates of title issued in accordance with the lemon law. This brand shall also be placed on a certificate of title when an out of state title with a lemon law or similar brand accompanies an application for certificate of title. This brand shall be continued on all successive certificates of title.

(4) The department may authorize designated agents and titled owners to electronically submit title applications and supporting documents in a manner as prescribed by the department in lieu of delivering the original documents to the department.

Author: Allyson Ward

Authority: §§ 8-20A-1, 8-20A-4, 8-20A-6, and 32-8-6, Code of Ala. 1975.

History: **New:** Filed October 20, 2020; effective