

Driver and Vehicle Services Update

Bureau of Motor Vehicles – Research and Support Operations Section P.O. Box 68031, Harrisburg, PA 17106-8031

This bulletin may be downloaded by visiting the Driver and Vehicle Services website at www.dmv.pa.gov.

Tom Wolf, Governor

Yassmin Gramian, Secretary

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SPECIAL EDITION

Titling Requirements & Supporting Documentation for Reconstructed/Flood Vehicles

It has come to our attention that some applications submitted for titling are lacking the required documentation for the Reconstructed transaction process. When reviewing and submitting MV-426B applications to PennDOT or an online agent service processing the applications, the application packet must contain the following:

- A completed Form MV-426B with all original applicable signatures (obsolete versions of Form MV- 426B will
 not be accepted. Form MV-426B may be found at our website at www.dmv.pa.gov). Stamped signatures are not
 permitted. If a replacement Vehicle Identification Number (VIN) is required, Form MV-41 and the corresponding
 Form MV-426B must be submitted to PennDOT for processing.
- A valid proof of ownership document. Please review the acceptable proof of ownership documentation listed in the <u>Documents Required for Reconstructed Vehicle Titling Fact Sheet</u>.
- Form MV-1 (Application for Certificate of Title) If the certified document reviewer does not have Form MV-1 or is not a notary, the applicant should be referred to a notary or online registration business to have Form MV-1 completed. The certified document reviewer may sign off on Form MV-426B without a completed Form MV-1 attached to the application if the certified documents reviewer is not an authorized agent. If they are an authorized agent, the Form MV-1 must be completed at this time.
- Appraisal Report (for flood or recovered theft vehicles where the damage does not exceed the replacement value
 of the vehicle). An acceptable appraisal report must contain the following information:
 - The name and signature of the licensed appraiser;
 - The appraiser's license number;
 - The VIN of the vehicle appraised;
 - The level of damage (in dollars); and,
 - The actual cash value of the vehicle (prior to flood or theft)
- A bill of sale if the applicant's name is not displayed on the face of the certificate of title/salvage (not required for dealers who are sales tax exempt). If a salvaged vehicle was reassigned free of charge, Form MV-13ST (Affidavit of Gift) may be submitted in lieu of a bill of sale. An acceptable bill of sale must include the seller's name and signature, the buyer's name, the Vehicle Identification Number (VIN), the date of the sale, the purchase price (if applicable), and a statement from the seller indicating the vehicle was already completed at the time of purchase

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- and that no branded title was obtained by the seller. Please note, if this information does not appear on the bill of sale, a separate statement must be signed by the seller, notarized, and contain the VIN number of the vehicle.
- If anyone is signing on behalf of the buyer or seller, a power of attorney must be included. Note: This would not be required if an agent is signing on behalf of his employer.
- Retention (buy-back) letter from insurance company if the vehicle was totaled and retained by the applicant for the purpose of re-titling it. This letter (on the insurance company or insurance agent's letterhead) should indicate the amount deducted from the insurance pay-off (settlement) to allow the insured to retain the vehicle.
- Copies of all receipts for all components replaced as indicated on Form MV-426B (if required). If the applicant indicates a component was taken from another vehicle they own, a copy of the salvage certificate or title (in the name of the applicant) for the parts vehicle must be attached in lieu of a receipt.
 - **NOTE:** Only business entities (dealers, rebuilders, etc.) titling the vehicle in the business name may claim parts used in the reconstruction were taken from existing inventory, and therefore, no receipts are needed. If a dealer or rebuilder reconstructed a vehicle for the applicant, the parts used to complete the vehicle may be listed on the bill of sale in lieu of a receipt for the part.
- A weight slip if the correct unladen weight of a truck, trailer or truck-tractor is not listed on the Certificate of Title or Salvage.
- A detailed description (on separate 8 1/2" X 11" paper) for specially constructed, collectible, modified vehicles and street rods indicating how the vehicle was configured and assembled.
- Photographs of the vehicle showing the front, rear, left and right sides. Photographs must be in color, signed/dated by the enhanced vehicle safety inspector and taken with the enhanced inspection station in the background of the photograph. Note: Signatures must be original, stamped signatures are not permitted.
 Additional photographs may be required for mobile homes, motor homes and collectible vehicles. Mobile home photographs do not have to be signed by an enhanced vehicle safety inspector.
- All applicable fees including any unpaid sales tax for vehicle purchase, insurance buy-back (retention) or any items purchased without tax collected (such as online purchases). Checks and/or money orders should be made payable to Commonwealth of Pennsylvania.

Once the vehicle has successfully passed the physical inspection, the inspecting mechanic or certified document reviewer must examine the documentation and ensure all the applicable documents above are being presented by the vehicle owner to support titling the vehicle.

With the exception of the proof of ownership document, all attachments (e.g., photographs, weight slips, receipts, etc.) to Form MV-426B applications that are smaller than 8 1/2" x 11" must be securely affixed (taped) to 8 1/2" x 11" paper.

If any items are missing listed above, agents should not move forward with the titling transaction. Failure to submit the required documentation with the application will result in the application being rejected from processing by PennDOT or title recall. Agent Services are required to retain a complete application package that was submitted to be processed for auditing purposes, they are required to be retained at your place of business following the requirements in the agent services contract.

The vehicle owner or an employee of the vehicle owner shall not be the inspecting mechanic. If the vehicle owner/applicant is the enhanced inspector or if the enhanced inspector is an employee of the owner/applicant, you cannot process the reconstructed title application. You should advise the applicant they must take the vehicle to another enhanced inspector.

Please be aware that if the agent is unable to process the reconstructed title online and has to submit the work to PennDOT for processing, the agent is not permitted to issue temporary registration. The reconstructed title must be processed before any registration can be issued for this vehicle.