



December 18, 2015

Registration and Title Bulletin # 011-15 Policy and Procedure

TO: All County Tax Assessor-Collectors and Motor Vehicle Dealers

SUBJECT: Use of the *Dealer Reassignment of Title for a Motor Vehicle*, **Form VTR-41-A**, with “Open” Reassignments

PURPOSE

To provide guidance on using *Dealer Reassignment of Title for a Motor Vehicle*, **Form VTR-41-A**, to reassign a motor vehicle when available dealer reassignments, or “Open” reassignments, remain on the certificate of title or a prior secure dealer reassignment form.

DETAILS

Currently, a licensed Texas dealer must take assignment on the back of the certificate of title or on Part A of the *Power of Attorney for Transfer of Ownership to a Motor Vehicle*, **Form VTR-271-A**, as applicable. When the vehicle is transferred, the next available reassignment on the back of the certificate of title, or Parts B and C on **Form VTR-271-A**, as applicable, must be completed by the dealer and acknowledged by the transferee. **Form VTR-41-A** may only be used when all reassignments on the back of a Texas title have been completed or for any out of state certificate of title even if all reassignments are not completed.

Effective immediately, a licensed Texas dealer may use **Form VTR-41-A** to assign a motor vehicle to a transferee even when all of the reassignments on the back of the title are not complete, including Texas Certificates of Title. **Form VTR-41-A** may only be used after the dealer has obtained assignment of the vehicle from the owner listed on the certificate of title. Once a dealer has completed an assignment on **Form VTR-41-A**, no further assignments may be made on the certificate of title or certified copy of title.

When ownership of a motor vehicle is transferred, federal odometer law and regulations specifically provide the owner whose name appears on the face of the certificate of title must make initial assignment to the transferee on the certificate of title or **Form VTR-271-A**, as applicable. The only alternative to this would be in the event of a repossession, in which case the lienholder would be required to make the initial odometer disclosure. Therefore, a licensed dealer who appears as owner on the face of the certificate of title may not use **Form VTR-41-A**, to assign the motor vehicle to a transferee. In situations where a licensed dealer is the recorded owner on the face of the certificate of title, the licensed dealer must make assignment on the back of the certificate of title. However, reassignments by subsequent licensed dealers may be made on the next available assignment on the back of the certificate of title, or by using **Form VTR-41-A**.

A dealer making a reassignment on **Form VTR-41-A** when open reassignments are available on a certificate of title or an existing secure dealer reassignment form, such as **Form VTR-41-A**, must write in the next open reassignment “**REASSIGNMENT ON #####**” where ##### represents the control number of the **Form VTR-41-A** being used. The control number is printed in red ink, eight digits, and located in the lower left corner of **Form VTR-41-A**. This is to ensure reassignments do not remain open and ensures the original certificate of title and **VTR-41-A** reassignment(s) are completed in the appropriate order. If a licensed dealer has the assigned certificate of title, the licensed dealer must make the certificate of title available to the transferee even if the reassignment to the transferee is made on **Form VTR-41-A**.

COUNTY ACTION

You may accept applications for Texas title submitted with **Form VTR-41-A** when reassignments remain available on the ownership evidence surrendered or on a prior secure dealer reassignment. When this situation applies, ensure the ownership evidence or prior secure dealer reassignment contains the control number of the **Form VTR-41-A** in the next available assignment on those documents.

CONTACT

If you have any questions, please contact your local TxDMV Regional Service Center.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jeremiah Kuntz", with a horizontal line extending to the right.

Jeremiah Kuntz, Director
Vehicle Titles and Registration Division

JK:TT:EG