



November 19, 2020

## Registration and Title Bulletin # 013-20 Policy and Procedure

**TO:** All County Tax Assessor-Collectors, Dealers, and Insurance Companies

**SUBJECT:** **Federal Odometer Disclosure Exemption Change and Additional Use of the *Power of Attorney for Transfer of Ownership to a Motor Vehicle* (Form VTR-271-A)**

### PURPOSE

To provide information regarding federal odometer disclosure exemption change and additional use of the *Power of Attorney for Transfer of Ownership to a Motor Vehicle* (Form VTR-271-A).

### DETAILS

New regulations adopted by the National Highway Traffic Safety Administration under United States Code of Federal Regulations, Title 49, Part 580, change the model year exemption for odometer disclosure from 10 years to 20 years effective January 1, 2021. The new 20-year exemption applies to a vehicle model year of 2011 or newer. Vehicles manufactured with a 2010 model year or older remain exempt under the 10-year exemption requirement, as do other vehicles previously exempted from odometer disclosure.

Effective January 1, 2021, a vehicle model year of 2011 or newer will not become exempt from odometer disclosure requirements until the vehicle is 20 years old. This means a vehicle model year of 2011 will not become exempt from odometer disclosure until January 1, 2031, a 2012 model year will not become exempt until the year 2032, and so on.

The department is aware that not all states will implement the 20-year exemption effective January 1, 2021. Any out of state title issued listing a 2011 model year vehicle as exempt will require the odometer brand to be recorded as Not Actual Mileage when used as ownership evidence for a title application. The odometer brand will carry forward and remain on the vehicle record.

All forms that include reference to odometer disclosure exemption information have been updated and the latest versions can be found on the Texas Department of Motor Vehicles' (TxDMV) website. Prior versions may continue to be used.

The new regulations include additional permitted uses of the Form VTR-271-A. The Form VTR-271-A can now be used when the vehicle is subject to odometer disclosure and the title is lost, held by a lienholder (whether the title is paper or electronic), or an electronic title that cannot be accessed. Permissible use in conjunction with an electronic title includes an electronic title when the lienholder has not released their lien or when the owner on record has an electronic title without a lien.

There are no changes to how the Form VTR-271-A is completed. When the vehicle is subject to odometer disclosure and use of the Form VTR-271-A applies, Part A is completed when a motor vehicle is initially transferred. Parts B and C can only be completed by a licensed dealer. If the motor vehicle is transferred by a licensed dealer and the title is still lost, held by a lienholder, or an electronic title that cannot be accessed, Parts B and C must be completed. Parts B and C cannot be used if the licensed

dealer obtains a certified copy of title, the title is no longer held by a lienholder, or the electronic title that was not accessible has been printed when transferring the vehicle.

Form VTR-271-A has been updated to accommodate the odometer disclosure exemption change and additional uses. The latest revision date is August 2020 and will be available once existing inventory is used.

#### **COUNTY ACTION**

Effective January 1, 2021, ensure vehicles with model year 2011 or newer have a properly completed odometer disclosure statement. If a 2011 model year vehicle was recorded as exempt, capture the odometer reading at the time of title application, and record the odometer brand as Not Actual Mileage. Ensure proper use and completion of the Form VTR-271-A including the new permitted uses.

#### **DEALER ACTION**

Effective January 1, 2021, ensure vehicles with model year 2011 or newer have a properly completed odometer disclosure statement. If a 2011 model year vehicle was recorded as exempt, capture the odometer reading at the time of sale, and inform the customer that the odometer brand will be recorded as Not Actual Mileage. Ensure proper use and completion of the Form VTR-271-A, which includes the new permitted uses.

#### **CONTACT**

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Tim Thompson". The signature is fluid and cursive, with a large initial "T" and "S".

Tim Thompson, Deputy Director  
Vehicle Titles and Registration Division

TT:KJ