December 11, 2025

Registration and Title Bulletin #001-25 Policy and Procedure

TO: All County Tax Assessor-Collectors and Used Auto Parts Recyclers

SUBJECT: House Bill (HB) 5436 – Exemptions to the Title Requirement for Certain Motor Vehicles

PURPOSE

This bulletin provides an overview of the procedural changes required as a result of HB 5436, enacted by the 89th Legislature.

DETAILS

Texas Administrative Code, Rule 217.87, was adopted by the TxDMV to support implementation of HB 5436. **Effective January 1, 2026**, a Used Auto Parts Recycler (UAPR) may purchase a vehicle solely for parts, dismantling, or scrapping without a title, only if the vehicle is at least 13 years old and has not been registered for at least seven years.

If the vehicle does not meet this criteria, the UAPR must obtain and surrender proper ownership evidence to the TxDMV under existing procedures using the *Surrendered Ownership Evidence for Vehicles to be Dismantled, Scrapped, or Destroyed* (Form VTR-340).

Note: New Forms VTR-341-1, VTR-341-2, and VTR-341-3 were created to support these procedural changes. These forms are attached for reference.

UAPR Requirements

- 1. Document the purchase of the vehicle from the seller by completing the *Used Auto Parts Recycler's Record of Vehicle Purchased Without Title* (Form VTR-341-1) and obtaining a copy of the seller's government-issued photo identification.
- 2. Complete the *Used Automotive Parts Recycler's Report for Vehicles Purchased Without Title* (Form VTR-341-2). Submit the form to a TxDMV Regional Service Center (RSC) in person no later than 24 hours after the close of business on the day the vehicle is purchased, excluding weekends and official state holidays.
 - a. Within this same timeframe, **report to the National Motor Vehicle Title Information System** per federal regulations, the purchase, vehicle details and vehicle disposition.
- 3. Determine **within 48 hours** of purchase, excluding weekends and official state holidays, whether the vehicle is subject to a lien of six years old or less, and if the vehicle has been reported as stolen.
 - a. Within 48 hours of receipt of a completed Form VTR-341-2, excluding weekends and official state holidays, the TxDMV RSC will inform the UAPR in person or by email whether the vehicle is subject to a lien and or has been reported stolen.
- 4. If the vehicle is **identified as stolen**, notify local law enforcement of the vehicle's current location and identifying information of the seller.
- 5. If a lien does not exist, the lien is over six years old, or a release of lien was obtained, the vehicle may be dismantled, scrapped, or destroyed three business days after the date the UAPR notified the TxDMV.
- 6. If a lien exists that is six years old or less and a release of lien was not obtained, provide notice to the local county tax assessor-collector. Submit a completed *Used Automotive Parts Recycler's*

Notice to County Tax Assessor-Collector (Form VTR-341-3) or a document that provides equivalent information, include a title and registration verification of record that indicates the lienholder and last registered owner and pay a \$25 administrative fee. Do not dismantle, scrap, or destroy the vehicle on or before the 21st day from the date of notice to the county.

- a. A *Request for Texas Motor Vehicle Information* (Form VTR-275) may be submitted to the TxDMV RSC to obtain a Texas title and registration verification of record.
- b. If the vehicle was not titled in Texas, obtain a title and registration verification of record from the state of record.
- 7. **Retain a physical or electronic record** of the completed Form VTR-341-1, a copy of the seller's government issued photo identification, and a copy of the completed and stamped VTR-341-2 returned by the TxDMV. It is recommended to retain, if applicable, the \$25 administrative fee receipt issued by the county.

Note: The Form VTR-341-2 may be submitted to the TxDMV RSC electronically but the UAPR must first visit their local RSC in person. More information about this process can be found on the TxDMV website: https://www.txdmv.gov/motorists/buying-or-selling-a-vehicle/uapr.

County Requirements

- 1. Notify the lienholder and if applicable, the last registered owner, of the UAPRs purchase of the vehicle no later than the fifth day after the UAPR provides notice. Include with the notice a copy of the completed Form VTR-341-3 or a document with equivalent information. In all cases the notice must include the:
 - Name, address, and National Motor Vehicle Title Information System identification number of the UAPR.
 - Name of the UAPRs agent,
 - Date the vehicle was purchased,
 - VIN, year, make and model, and
 - UAPRs certification to not dismantle, scrap or destroy the vehicle before the 21st day after the date the UAPR submits the notice.
- 2. If the UAPR indicates the vehicle was purchased from the last registered owner, only notify the lienholder. If the vehicle was not purchased from the last registered owner, notify both the lienholder and the owner. The UAPR must provide a title and registration verification of record.
- 3. Collect the \$25 UAPR Admin Fee in Additional Collections and include the VIN in the Reason field. Provide receipt to UAPR.

CONTACT

If you have any questions, please contact your local Texas Department of Motor Vehicles Regional Service Center.

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Texas Department of Motor Vehicles