

**CHAPTER 87**  
**REGISTRATION OF TRANSFERRED VEHICLES**  
*S.F. 387*

**AN ACT** allowing a person to whom ownership of a vehicle has been transferred by a spouse, parent or child of the person, or by operation of law upon inheritance, devise or bequest, from the person's spouse, parent or child, or by a former spouse pursuant to a decree of dissolution of marriage, a credit to be applied to the registration fee of the transferred vehicle, requiring rules to be adopted to provide for the assignment of registration plates to the person, requiring certain counties to send a statement relating to due registration fees to owners of motor vehicles and allowing a refund of unexpired registration fees for certain vehicles.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 321.34, subsection 1, Code 1985, is amended to read as follows:

1. **PLATES ISSUED.** The county treasurer upon receiving application, accompanied by proper fee, for registration of a vehicle shall issue to the owner one registration plate for a motorcycle, motorized bicycle, truck tractor, trailer, or semitrailer and two registration plates for every other motor vehicle. The registration plates, including special registration plates, shall be assigned to the owner of a vehicle. ~~Whenever~~ When the owner of a registered vehicle transfers or assigns ownership of ~~such~~ the vehicle to another person, the owner shall remove the registration plates from the vehicle. The owner shall forward the plates to the county treasurer where the vehicle is registered or the owner may have the plates assigned to another vehicle within thirty days after transfer, upon payment of the fees required by law. The owner shall immediately affix registration plates retained by the owner to another vehicle owned or acquired by ~~such person~~ the owner, providing the owner complies with section 321.46. The department shall adopt rules providing for the assignment of registration plates to the transferee of a vehicle for which a credit is allowed under section 321.46, subsection 6.

Sec. 2. Section 321.40, Code 1985, is amended by adding the following new unnumbered paragraph immediately following unnumbered paragraph 1:

NEW UNNUMBERED PARAGRAPH. On or before the fifteenth day of the month of expiration of a vehicle's registration the county treasurer shall send a statement by mail of fees due to the appropriate owner of record. The statement shall be mailed to the most current address of record, showing information sufficient to identify the vehicle and a listing of the various fees as appropriate. Failure to receive a statement shall have no effect upon the accrual of penalty at the appropriate date. This paragraph applies to counties with a population of one hundred thousand or more. This paragraph applies to any county with a population of less than one hundred thousand at the discretion of the county treasurer.

Sec. 3. Section 321.46, Code 1985, is amended by adding the following new subsection:

NEW SUBSECTION. 6. An applicant for a new registration for a vehicle transferred to the applicant by a spouse, parent or child of the applicant, or by operation of law upon inheritance, devise or bequest, from the applicant's spouse, parent or child, or by a former

spouse pursuant to a decree of dissolution of marriage, is entitled to a credit to be applied to the registration fee for the transferred vehicle. A credit shall not be allowed unless the vehicle to which the credit applies is registered within the time specified under subsection 1. The credit shall be computed on the basis of the number of unexpired months remaining in the registration year of the former owner computed from the date the vehicle was transferred, computed to the nearest whole dollar. The credit shall not exceed the amount of the registration fee for the transferred vehicle. When the amount of the credit is computed to be an amount of less than five dollars, the credit shall be disallowed. The credit shall not be sold, transferred, or assigned to any other person.

Sec. 4. Section 321.126, unnumbered paragraph 1, Code 1985, is amended to read as follows:

Refunds of ~~current unexpired vehicle~~ registration fees ~~paid for the registration of motor vehicles~~ shall be allowed in accordance with this section, except that no refund shall be allowed and paid if the unused portion of the fee is less than five dollars. Subsections 1 and 2 ~~shall do not~~ apply to motor vehicles registered by the county treasurer. The refunds shall be made as follows:

Sec. 5. Section 321.126, Code 1985, is amended by adding the following new subsection:

**NEW SUBSECTION.** If a vehicle is sold or junked within thirty days after a replacement vehicle has been purchased and the title and registration for the replacement vehicle issued, the owner in whose name the vehicle was registered may within thirty days after the date of sale or junking make claim to the department for a refund of the sold or junked vehicle's registration fee subject to the following limitations:

a. The refund shall be computed on the basis of the number of unexpired months remaining in the registration year at the time the vehicle was sold or junked and shall be rounded to the nearest whole dollar. Section 321.127, subsection 1, does not apply.

b. The refund shall not exceed the amount of the registration fee for the replacement vehicle and shall only be allowed if the replacement vehicle was registered within the time specified for registration under section 321.46, subsection 1.

c. The refund shall only be allowed if the owner provides the credit copy of the registration receipt for the vehicle sold or junked and a photocopy of the registration receipt for the replacement vehicle.

d. This subsection does not apply to vehicles registered under chapter 326.

Sec. 6. Section 321.127, Code 1985, is amended to read as follows:

**321.127 AMOUNT PAYMENT OF REFUND.**

1. The refund of the registration fee for motor vehicles shall be computed on the basis of ~~one-fourth of the annual registration fee multiplied by the number of remaining quarters of unexpired months remaining in the registration year~~ from date of filing of the claim for refund with the county treasurer, computed to the nearest ~~quarter~~ dollar.

2. The department, unless reasonable grounds exist for delay, shall make refund on or before the fifteenth last day of the quarter month following the quarter month in which the claim is filed with the department.

3. For trailers or semitrailers issued a multiyear registration plate a refund shall be paid equal to the annual fee for twelve months times the remaining number of complete registration years.

4. Refunds for motor vehicles registered for prorate under chapter 326 shall be paid on the basis of unexpired complete calendar months remaining in the registration year from the date the claim is filed with the department.

Approved May 8, 1985