

CHAPTER 321F

LEASING AND RENTING OF VEHICLES

Referred to in §307.27, 321.20, 321.46, 321.57, 321.105A, 321.484

321F.1	Definitions.	321F.7	Repealed by 95 Acts, ch 118, §38.
321F.2	License required.	321F.8	Registration of vehicle required.
321F.3	Application.	321F.9	Option to purchase — dealer's license.
321F.4	Fees and expiration.	321F.10	Department employees.
321F.4A	Repealed by 98 Acts, ch 1075, §32.	321F.11	Rules adopted — deposit of fees.
321F.5	Denial or suspension of license.	321F.12	Penalty.
321F.6	Financial responsibility — lease.		

321F.1 Definitions.

When used in this chapter, unless the context requires otherwise:

1. “*Business*” means the business of leasing motor vehicles for use by others for compensation.
2. “*Director*” means the director of transportation or the director’s designee.
3. “*Evidence of financial responsibility*” means:
 - a. A certificate of an insurance carrier certifying that the lessor under a lease is insured against liability for a judgment in the amount of fifty thousand dollars for personal injury to one individual and in an aggregate amount of one hundred thousand dollars for personal injuries to all individuals involved in a single accident, and in the amount of ten thousand dollars for property damage, resulting from any such single accident in which a motor vehicle under a lease is involved; or
 - b. A bond executed by a surety company authorized to do business in this state providing for the payment of judgments, against a lessor under a lease, within the limits set forth in paragraph “a” of this subsection.
4. “*Judgment*” means any judgment which shall have become final.
5. “*Lease*” means a written agreement providing for the leasing of a motor vehicle for a period of more than sixty days.
6. “*Licensee*” means a person licensed under the provisions of this chapter to engage in business.
7. “*Motor vehicle*” means every vehicle which is self-propelled and subject to registration under the laws of this state.
8. “*Person*” means an individual, partnership, corporation, association, or other business entity.

[C71, 73, 75, 77, 79, 81, §321F.1]

Referred to in §321.69

321F.2 License required.

No person shall engage in business in this state without first having obtained a license as provided in this chapter.

[C71, 73, 75, 77, 79, 81, §321F.2]

321F.3 Application.

The application for a license to engage in business in this state shall be filed with the director and shall provide such information relating to applicant’s business as the director may require.

[C71, 73, 75, 77, 79, 81, §321F.3]

321F.4 Fees and expiration.

1. The license fee for a license to engage in the business of leasing vehicles in this state is thirty dollars for a two-year period or part thereof, to be paid at the time the application for a license is filed. If the application is denied, the amount of the fee shall be refunded to the applicant.

2. A license expires on December 31 of even-numbered years. A licensee shall have the month of expiration and the month after the month of expiration to renew the license. A person who fails to renew a license by the end of this time period and desires to hold a license shall file a new license application and pay the required fee.

[C71, 73, 75, 77, 79, 81, §321F.4]

92 Acts, ch 1175, §6; 2000 Acts, ch 1016, §18; 2006 Acts, ch 1068, §45, 57

321F.4A Repealed by 98 Acts, ch 1075, § 32.

321F.5 Denial or suspension of license.

A license shall be denied if the applicant has engaged in business in this state within one year prior to the date of application without first having obtained a license as provided in this chapter, or has violated any rules and regulations of the director adopted for the administration of this chapter.

The license of any licensee who shall have violated any provision of this chapter or any rules and regulations of the director adopted for the administration of this chapter shall be suspended and such license shall not be renewed nor shall a new license be issued to such licensee within one year after the date of suspension of the license; provided that the suspension of a license shall not invalidate any lease entered into by lessor prior to suspension and the parties to the lease shall have the authority and remain liable to perform their respective obligations under such leases.

[C71, 73, 75, 77, 79, 81, §321F.5]

321F.6 Financial responsibility — lease.

The lessee shall carry in the vehicle being leased, evidence of financial responsibility as required by this chapter and a copy of the lease, setting forth the name and address of the lessee, period of the lease, and other information as the director may require. The lease shall be shown to any peace officer upon request.

[C71, 73, 75, 77, 79, 81, §321F.6]

92 Acts, ch 1175, §8; 95 Acts, ch 118, §29

Referred to in §321.484

321F.7 Repealed by 95 Acts, ch 118, § 38.

321F.8 Registration of vehicle required.

All motor vehicles which are primarily garaged or located in this state and which are the subject of a lease shall be registered in this state. This section shall not be construed to exempt any motor vehicle from registration which is otherwise subject to registration under the provisions of chapter 321, provided, however, that the provisions of this section shall not apply to motor vehicles in fleets whose registrations are apportioned under the provisions of chapter 326.

[C71, 73, 75, 77, 79, 81, §321F.8]

2012 Acts, ch 1093, §15

[T] Section amended

321F.9 Option to purchase — dealer's license.

Any person engaged in business in this state shall not enter into any agreement for the use of a motor vehicle under the terms of which that person grants to another an option to purchase the motor vehicle without first having obtained a motor vehicle dealer's license under the provisions of chapter 322, and all sales of motor vehicles under such options shall be subject to sales or use taxes imposed under the provisions of chapter 423. Nothing contained in this section shall require such person to have a place of business as provided by section 322.6, subsection 1, paragraph "h".

[C71, 73, 75, 77, 79, 81, §321F.9]

2003 Acts, 1st Ex, ch 2, §172, 205; 2009 Acts, ch 130, §28

321F.10 Department employees.

Section 322.1, as it pertains to employees and the expenditure of funds shall apply to the provisions of this chapter.

[C71, 73, 75, 77, 79, 81, §321F.10]

321F.11 Rules adopted — deposit of fees.

The director shall adopt rules for the purpose of administering this chapter. All fees and funds accruing from the administration of this chapter shall be remitted to the treasurer of state monthly and deposited in the road use tax fund.

[C71, 73, 75, 77, 79, 81, §321F.11]

321F.12 Penalty.

Any person violating any provision of this chapter shall be guilty of a simple misdemeanor.

[C71, 73, 75, 77, 79, 81, §321F.12]