

321.50 Security interest provisions.

1. A security interest in a vehicle subject to registration under the laws of this state, except trailers whose empty weight is two thousand pounds or less, and except new or used vehicles held by a dealer or manufacturer as inventory for sale, is perfected by the delivery to any county treasurer of an application for certificate of title which lists the security interest, or an application for notation of security interest signed by the owner or by one owner of a vehicle owned jointly by more than one person, or signed through electronic means as determined by the department, or a certificate of title from another jurisdiction which shows the security interest, and payment of a fee of twenty dollars for each security interest shown. The security interest in a mobile home or manufactured home is perfected by the delivery to the county treasurer of the county where the certificate of title was issued or, in the case of a new certificate, to the county treasurer where the certificate will be issued, of an application for certificate of title which lists the security interest, or an application for notation of security interest signed by the owner or by one owner when owned jointly by more than one person, or signed through electronic means as determined by the department, or a certificate of title from another jurisdiction which shows the security interest, and payment of a fee of twenty dollars for each security interest shown. The department shall require the federal employer identification number of a secured party who is a firm, association, or corporation or, if a natural person, the social security number. Upon delivery of the application and payment of the fee, the county treasurer shall note the date of delivery on the application. If the delivery is by electronic means and the time is electronically recorded on the application along with the date, the time shall be included with the date on all subsequent documents and records where the date of perfection is required under [this chapter](#). The date of delivery shall be the date of perfection of the security interest in the vehicle, regardless of the date the security interest is noted on the certificate of title. Up to three security interests may be perfected against a vehicle and shown on an Iowa certificate of title. If the owner or secured party is in possession of the certificate of title, it must also be delivered at this time. If a vehicle is subject to a security interest when brought into this state, the validity of the security interest and the date of perfection is determined by [section 554.9303](#). Delivery as provided in [this subsection](#) constitutes perfection of a security interest on a certificate of title for purposes of [this chapter](#) and [chapter 554](#).

2. Upon receipt of the application and the required fee, if the certificate of title was not delivered to the county treasurer along with the application, the county treasurer shall notify the holder of the certificate of title to deliver to the county treasurer, within five days from the receipt of notice, the certificate of title to permit notation of the security interest. If the holder of the certificate of title fails to deliver it within five days, the holder shall be liable to anyone harmed by the holder's failure.

3. Upon receipt of the application, the certificate of title, if any, and the required fee, the county treasurer shall note the security interest and the date of perfection of the security interest on the certificate of title. The county treasurer shall also note the security interest and the date of perfection of the security interest in the county records system. Upon receipt of a certificate of title issued by a foreign jurisdiction, on which a security interest has been noted, the county treasurer shall note the security interest and the date the security interest was noted on the foreign certificate of title, if available, or if not, the date of issuance of the foreign certificate of title, on the face of the new certificate of title. The county treasurer shall also note the security interest and the date that was noted on the certificate of title in the county records system. The county treasurer shall then deliver the certificate of title to the first secured party as shown thereon.

4. Notwithstanding any provision of [this section](#) to the contrary, if a security interest has been delivered by electronic means, the county treasurer or department shall not print a certificate of title until all security interests have been released, but shall provide the first security interest holder with an electronic record of the certificate of title. When a vehicle is subject to an electronic lien, the certificate of title for the vehicle shall be considered to be physically held by the lienholder for purposes of compliance with odometer disclosure requirements under [section 321.71](#).

5. a. Except as provided in [section 321.48, subsection 1](#), paragraph “b”, when a security interest is discharged, the holder shall note a cancellation of the security interest on the face of the certificate of title over the holder’s signature or may note the cancellation of the security interest on a separate, notarized release form or letter. The holder shall deliver the certificate of title and the form or letter, if applicable, to any county treasurer. In the case of a security interest that has been delivered by electronic means, the holder shall notify the department or the county treasurer, in a manner prescribed by the department, of the release of the security interest. The county treasurer shall immediately note the cancellation of the security interest on the face of the certificate of title, if applicable, and in the county records system. The county treasurer shall on the same day deliver the certificate of title, if applicable, and the separate, notarized release form or letter, if applicable, to the then first secured party or, if there is no such person, to the person as directed by the owner, in writing, on a form prescribed by the department or, if there is no person designated, then to the owner. The cancellation of the security interest shall be noted on the certificate of title by the county treasurer without charge. The holder of a security interest discharged by payment who fails to release the security interest within fifteen days after being requested in writing to do so shall forfeit to the person making the payment the sum of twenty-five dollars.

b. If a lien has been released by the lienholder but has not been sent to the county of record for clearance of the lien, any county may note the release on the face of the title and shall notify the county of record that the lien has been released as of the specified date and make entry upon the computer system. Notification to the county of record shall be made by an automated statewide system or by sending a photocopy of the released title to the county of record.

c. When a security interest is discharged, the lienholder shall note the cancellation of the security interest on the face of the title and, if applicable, may note the cancellation of the security interest on a form prescribed by the department and deliver a copy of the form in lieu of the title to the department or to any county treasurer. The form may be delivered by electronic means. The department or county treasurer shall note the release of the security interest upon the statewide computer system and the county’s records. A copy of the form, if used, shall be attached to the title by the lienholder, if the title is held by the lienholder, and shall be evidence of the release of the security interest. If the title is held by the lienholder, the lienholder shall deliver the title to the first lienholder, or if there is no such person, to the person as designated by the owner, or if there is no such person designated, to the owner. If a certificate of title has not been issued, upon release of a security interest, the lienholder shall notify the department or the county treasurer, in a manner prescribed by the department, of the release of the security interest.

d. For purposes of [this subsection](#), a security interest noted on an Iowa certificate of title and appearing in the statewide computer system and the county’s records shall be presumed to be discharged upon presentation of a valid certificate of title subsequently issued by a foreign jurisdiction on which the security interest is no longer noted.

6. Notwithstanding [subsection 5](#), when an application for registration and issuance of a certificate of title is made by the means described in [section 321.20, subsection 2](#), and the application includes a certificate of title upon which a security interest has been discharged by the secured party and the cancellation of the security interest is noted by the secured party on the certificate of title above the secured party’s signature, the county treasurer shall not require any other notation of the cancellation of the security interest on the face of the certificate of title, and the county treasurer shall update such release on the applicable program or computer system. A dealer licensed under [chapter 322](#) or [chapter 322C](#) is authorized to sell such a vehicle pursuant to [section 321.48, subsection 1](#), paragraph “b”.

7. The uniform commercial code, [chapter 554, article 9](#), shall apply to all transactions intended to create a security interest in vehicles except as provided in [this chapter](#).

8. Upon request of any person, the county treasurer shall certify whether there are, on the date and hour stated therein, any security interests or liens against a vehicle and the name and address of each secured party. The uniform fee for a certification shall be two dollars if the request for the certification is on a form conforming to standards prescribed by the secretary of state; otherwise, three dollars. Upon request and payment of the appropriate

fee, the county treasurer shall furnish a certified copy of any security interests for a uniform fee of one dollar per page.

[C24, 27, 31, 35, §4967; C39, §**5002.06**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321.50]
83 Acts, ch 5, §3, 5; 84 Acts, ch 1305, §55; 89 Acts, ch 260, §3; 92 Acts, ch 1175, §30; 97 Acts, ch 108, §6; 99 Acts, ch 13, §9; 99 Acts, ch 188, §10; 2000 Acts, ch 1016, §7, 44, 47; 2000 Acts, ch 1149, §166, 187; 2001 Acts, ch 153, §17; 2003 Acts, ch 8, §13; 2003 Acts, ch 145, §286; 2004 Acts, ch 1013, §15 – 17, 35; 2004 Acts, ch 1092, §3; 2014 Acts, ch 1123, §11; 2018 Acts, ch 1034, §1; 2023 Acts, ch 50, §1, 2; 2024 Acts, ch 1145, §16, 17, 26

Referred to in §321.24, 321.42, 321.45, 321.48, 321.131, 331.557