

321.55 Registration and financial liability coverage required for certain vehicles owned or operated by nonresidents.

1. A nonresident owner or operator engaged in remunerative employment within this state or carrying on business within this state and owning or operating a motor vehicle, trailer, or semitrailer within this state shall register and maintain financial liability coverage as required under [section 321.20B](#) for each vehicle and pay the same fees for registration as are paid for like vehicles owned by residents of this state. However, [this subsection](#) does not apply to a person commuting from the person's residence in another state or whose employment is seasonal or temporary, not exceeding ninety days.

2. *a.* A nonresident owner of a motor vehicle operated within this state by a resident of this state shall register the vehicle and shall maintain financial liability coverage as required under [section 321.20B](#) for the vehicle. The nonresident owner shall pay the same fees for registration as are paid for like vehicles owned by residents of this state. However, registration under this paragraph is not required for vehicles being operated by residents temporarily for not more than ninety days. For purposes of this paragraph, a vehicle is not operated in the state temporarily, and is therefore subject to registration and the owner is required to pay the applicable fees, if the vehicle is located in Iowa for more than ninety consecutive or nonconsecutive days and is operated on an Iowa highway by an Iowa resident during that time. It is unlawful for a resident to operate within the state an unregistered motor vehicle required to be registered under this paragraph. The ninety-day temporary period of operation provided for under this paragraph does not apply to a vehicle owned by a shell business as provided in paragraph "b".

b. On or after July 1, 2013, if the department, in consultation with the department of revenue, determines that the nonresident owner of a vehicle is a partnership, limited liability company, or corporation that is a shell business, it shall be rebuttably presumed that the Iowa resident in control of the vehicle is the actual owner of the vehicle, that the vehicle is subject to registration in this state, and that payment of the fee for new registration for the vehicle is owed by the Iowa resident.

(1) Factors which indicate that a partnership, limited liability company, or corporation is a shell business include but are not limited to the following:

(a) The partnership, limited liability company, or corporation lacks a specific business activity or purpose.

(b) The partnership, limited liability company, or corporation fails to maintain a physical location in the foreign state.

(c) The partnership, limited liability company, or corporation fails to employ individual persons and provide those persons with internal revenue service form W-2 wage and tax statements.

(d) The partnership, limited liability company, or corporation fails to file federal tax returns, or fails to file a required state tax return in the foreign state.

(2) Factors which indicate that a person is in control of a vehicle include but are not limited to the following:

(a) The person was the initial purchaser of the vehicle.

(b) The person operated or stored the vehicle in Iowa for any period of time.

(c) The person is a partner, member, or shareholder of the nonresident partnership, limited liability company, or corporation that purports to be the owner of the vehicle.

(d) The person is insured to drive the vehicle.

(3) If the department determines that the nonresident owner of a vehicle is a shell business, the department shall notify the Iowa resident in control of the vehicle in writing that the Iowa resident is required to obtain an Iowa certificate of title and registration for the vehicle and pay the fee for new registration owed for the vehicle not later than thirty days from the date of the notice.

[C39, §5003.03; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321.55]

[83 Acts, ch 58, §1](#); [97 Acts, ch 139, §4, 17, 18](#); [98 Acts, ch 1121, §8](#); [2013 Acts, ch 140, §160](#)

Referred to in [§321.1A](#), [321.53](#), [321.105A](#), [805.8A\(2\)\(m\)](#)

For applicable scheduled fine, see [§805.8A](#), subsection 2