

**701—250.13(321) Loans.** Relief from a loan balance constitutes consideration for the purposes of the fee for new registration.

EXAMPLE A: A vehicle is titled in Person V's name with a loan also in Person V's name. Person V transfers the title to Person W, who assumes the unpaid balance of the loan. A new lien is filed. The fee for new registration is due on Person V's outstanding loan balance.

EXAMPLE B: A vehicle is titled in Person X's name with an outstanding loan balance of \$10,000. Person X transfers the title to Person Y. Person Y takes out a \$15,000 loan to pay off Person X's outstanding loan of \$10,000 and also to have \$5,000 for repairs to Person Y's house. The fee for new registration is due only on Person X's outstanding loan balance of \$10,000.

This rule is intended to implement Iowa Code section 321.105A.

[ARC 9034C, IAB 3/19/25, effective 4/23/25]