

**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 as amended by 2021 Iowa Acts, Senate File 366.

[ARC 5911C, IAB 9/22/21, effective 10/27/21; ARC 6508C, IAB 9/7/22, effective 10/12/22]