

AN ACT concerning transportation.

**Be it enacted by the People of the State of Illinois,  
represented in the General Assembly:**

Section 5. The Illinois Vehicle Code is amended by changing Sections 3-104, 3-118, and 3-824 and by adding Section 3-104.5 as follows:

(625 ILCS 5/3-104) (from Ch. 95 1/2, par. 3-104)

Sec. 3-104. Application for certificate of title.

(a) The application for a certificate of title for a vehicle in this State must be made by the owner to the Secretary of State on the form prescribed and must contain:

1. The name, Illinois residence and mail address of the owner;
2. A description of the vehicle including, so far as the following data exists: Its make, year-model, identifying number, type of body, whether new or used, as to house trailers as defined in Section 1-128 of this Code, and as to manufactured homes as defined in Section 1-144.03 of this Code, the square footage based upon the outside dimensions excluding the length of the tongue and hitch, and, as to vehicles of the second division, whether for-hire, not-for-hire, or both for-hire and not-for-hire;
3. The date of purchase by applicant and, if

applicable, the name and address of the person from whom the vehicle was acquired and the names and addresses of any lienholders in the order of their priority and signatures of owners;

4. The current odometer reading at the time of transfer and that the stated odometer reading is one of the following: actual mileage, not the actual mileage or mileage is in excess of its mechanical limits; and

5. Any further information the Secretary of State reasonably requires to identify the vehicle and to enable him to determine whether the owner is entitled to a certificate of title and the existence or nonexistence of security interests in the vehicle.

(a-5) The Secretary of State shall designate on the prescribed application form a space where the owner of a vehicle may designate a beneficiary, to whom ownership of the vehicle shall pass in the event of the owner's death.

(b) If the application refers to a vehicle purchased from a dealer, it must also be signed by the dealer as well as the owner, and the dealer must promptly mail or deliver the application and required documents to the Secretary of State.

(c) If the application refers to a vehicle last previously registered in another State or country, the application must contain or be accompanied by:

1. Any certified document of ownership so recognized and issued by the other State or country and acceptable to

the Secretary of State, and

2. Any other information and documents the Secretary of State reasonably requires to establish the ownership of the vehicle and the existence or nonexistence of security interests in it.

(d) If the application refers to a new vehicle it must be accompanied by the Manufacturer's Statement of Origin, or other documents as required and acceptable by the Secretary of State, with such assignments as may be necessary to show title in the applicant.

(e) If an application refers to a vehicle rebuilt from a vehicle previously salvaged, that application shall comply with the provisions set forth in Sections 3-302 through 3-304 of this Code.

(f) An application for a certificate of title for any vehicle, whether purchased in Illinois or outside Illinois, and even if previously registered in another State, must be accompanied by either an exemption determination from the Department of Revenue showing that no tax imposed pursuant to the Use Tax Act or the vehicle use tax imposed by Section 3-1001 of the Illinois Vehicle Code is owed by anyone with respect to that vehicle, or a receipt from the Department of Revenue showing that any tax so imposed has been paid. An application for a certificate of title for any vehicle purchased outside Illinois, even if previously registered in another state, must be accompanied by either an exemption

determination from the Department of Revenue showing that no tax imposed pursuant to the Municipal Use Tax Act or the County Use Tax Act is owed by anyone with respect to that vehicle, or a receipt from the Department of Revenue showing that any tax so imposed has been paid. In the absence of such a receipt for payment or determination of exemption from the Department, no certificate of title shall be issued to the applicant.

If the proof of payment of the tax or of nonliability therefor is, after the issuance of the certificate of title and display certificate of title, found to be invalid, the Secretary of State shall revoke the certificate and require that the certificate of title and, when applicable, the display certificate of title be returned to him.

(g) If the application refers to a vehicle not manufactured in accordance with federal safety and emission standards, the application must be accompanied by all documents required by federal governmental agencies to meet their standards before a vehicle is allowed to be issued title and registration.

(h) If the application refers to a vehicle sold at public sale by a sheriff, it must be accompanied by the required fee and a bill of sale issued and signed by a sheriff. The bill of sale must identify the new owner's name and address, the year model, make and vehicle identification number of the vehicle, court order document number authorizing such sale, if applicable, and the name and address of any lienholders in order of priority, if applicable.

(i) If the application refers to a vehicle for which a court of law determined the ownership, it must be accompanied with a certified copy of such court order and the required fee. The court order must indicate the new owner's name and address, the complete description of the vehicle, if known, the name and address of the lienholder, if any, and must be signed and dated by the judge issuing such order.

(j) If the application refers to a vehicle sold at public auction pursuant to the Labor and Storage Lien (Small Amount) Act, it must be accompanied by an affidavit or affirmation furnished by the Secretary of State along with the documents described in the affidavit or affirmation and the required fee.

(k) The Secretary may provide an expedited process for the issuance of vehicle titles. Expedited title applications must be delivered to the Secretary of State's Vehicle Services Department in Springfield by express mail service or hand delivery. Applications must be complete, including necessary forms, fees, and taxes. Applications received before noon on a business day will be processed and shipped that same day. Applications received after noon on a business day will be processed and shipped the next business day. The Secretary shall charge an additional fee of \$30 for this service, and that fee shall cover the cost of return shipping via an express mail service. All fees collected by the Secretary of State for expedited services shall be deposited into the Motor Vehicle License Plate Fund. In the event the Vehicle Services

Department determines that the volume of expedited title requests received on a given day exceeds the ability of the Vehicle Services Department to process those requests in an expedited manner, the Vehicle Services Department may decline to provide expedited services, and the additional fee for the expedited service shall be refunded to the applicant.

(l) If the application refers to a homemade trailer, (i) it must be accompanied by the appropriate documentation regarding the source of materials used in the construction of the trailer, as required by the Secretary of State, (ii) the trailer must be inspected by a Secretary of State employee prior to the issuance of the title, and (iii) upon approval of the Secretary of State, the trailer must have a vehicle identification number, as provided by the Secretary of State, stamped or riveted to the frame.

(m) The holder of a Manufacturer's Statement of Origin to a manufactured home may deliver it to any person to facilitate conveying or encumbering the manufactured home. Any person receiving any such Manufacturer's Statement of Origin so delivered holds it in trust for the person delivering it.

(n) Within 45 days after the completion of the first retail sale of a manufactured home, the Manufacturer's Statement of Origin to that manufactured home must be surrendered to the Secretary of State either in conjunction with an application for a certificate of title for that manufactured home or in accordance with Section 3-116.1.

(o) Each application for certificate of title for a motor vehicle shall be verified by the National Motor Vehicle Title Information System (NMVTIS) for a vehicle history report prior to the Secretary issuing a certificate of title.

(Source: P.A. 97-918, eff. 1-1-13; 98-749, eff. 7-16-14.)

(625 ILCS 5/3-104.5 new)

Sec. 3-104.5. Application NMVTIS warnings or errors.

(a) Each application for a certificate of title or a salvage certificate for a motor vehicle that is verified by the National Motor Vehicle Title Information System (NMVTIS) that is returned with a warning or error shall be reviewed by the Secretary of State, or his or her designees, as to whether the warning or error warrants a change to the type of title or brand that is issued to a motor vehicle. If the Secretary needs supplemental information to verify or corroborate the information received from a NMVTIS report, then the Secretary may use any available commercial title history services or other Secretary of State resources to assist in determining the vehicle's proper designation.

(b) Any motor vehicle application for a certificate of title or a salvage certificate that another state has previously issued a title or brand indicating that the status of the motor vehicle is equivalent to a junk vehicle, as defined in Section 1-134.1 of this Code, shall receive a title with a "prior out of state junk" brand if that history item was

issued 120 months or more before the date of the submission of the current application for title.

(c) Any motor vehicle application for a certificate of title or a salvage certificate that is returned with a NMVTIS warning or error indicating that another state has previously issued a title or brand indicating the status of the motor vehicle is equivalent to a junk vehicle, as defined in Section 1-134.1 of this Code, shall be issued a junk certificate that reflects the motor vehicle's structural history, if the previously issued title or brand from another state was issued less than 120 months before the date of the submission of the current application for title.

(d) Any motor vehicle application for a certificate of title or a salvage certificate that is returned with a NMVTIS warning or error indicating a brand or label from another jurisdiction, that does not have a similar or comparable brand or label in this State, shall include a notation or brand on the certificate of title stating "previously branded".

(e) Any motor vehicle that is subject to the federal Truth in Mileage Act, and is returned with a NMVTIS warning or error indicating the stated mileage of the vehicle on the application for certificate of title is 1,500 or fewer miles less than a previously recorded mileage for the vehicle, shall be deemed as having an acceptable margin of error and the higher of the 2 figures shall be indicated on the new certificate of title, if the previous mileage was recorded within 90 days of the date of



the current application for title and if there are no indications of fraud or malfeasance, or of altering or tampering with the odometer.

(f) Any applicant for a certificate of title or a salvage certificate who receives an alternative salvage or junk certificate, or who receives a certificate of title with a brand or label indicating the vehicle was previously rebuilt prior out of state junk, previously branded, or flood, may contest the Secretary's designations by requesting an administrative hearing under Section 2-116 of this Code.

(g) The Secretary may adopt any rules necessary to implement this Section.

(625 ILCS 5/3-118) (from Ch. 95 1/2, par. 3-118)

Sec. 3-118. Application for salvage or junking certificate; contents.

(a) An application for a salvage certificate or junking certificate shall be made upon the forms prescribed by the Secretary of State and contain:

1. The name and address of the owner;
2. A description of the vehicle including, so far as the following data exists: its make, year-model, identifying number, type of body, whether new or used;
3. The date of purchase by applicant; and
4. Any further information reasonably required by the Secretary of State.

(b) The application for salvage certificate must also contain the current odometer reading and that the stated odometer reading is one of the following: actual mileage, not the actual mileage or mileage is in excess of its mechanical limits.

(b-5) Each application for a salvage certificate for a motor vehicle shall be verified by the National Motor Vehicle Title Information System (NMVTIS) for a vehicle history report prior to the Secretary issuing a salvage certificate.

(c) A salvage certificate may be assigned to any person licensed under this Act as a rebuilder, automotive parts recycler, or scrap processor, or to an out-of-state salvage vehicle buyer. A salvage certificate for a vehicle that has come from a police impoundment may be assigned to a municipal fire department. A junking certificate may be assigned to anyone. The provisions for reassignment by dealers under paragraph (a) of Section 3-113 shall apply to salvage certificates, except as provided in Section 3-117.2. A salvage certificate may be reassigned to one other person to whom a salvage certificate may be assigned pursuant to this Section.

(Source: P.A. 95-301, eff. 1-1-08; 95-783, eff. 1-1-09.)

(625 ILCS 5/3-824) (from Ch. 95 1/2, par. 3-824)

Sec. 3-824. When fees returnable.

(a) Whenever any application to the Secretary of State is accompanied by any fee as required by law and such application

is refused or rejected, said fee shall be returned to said applicant.

(b) Whenever the Secretary of State collects any fee not required to be paid under the provisions of this Act, the same shall be refunded to the person paying the same upon application therefor made within 6 months after the date of such payment, except as follows: (1) whenever a refund is determined to be due and owing as a result of an audit, by this State or any other state or province, in accordance with Section 2-124 of this Code, of a prorate or apportion license fee payment pursuant to any reciprocal compact or agreement between this State and any other state or province, and the Secretary for any reason fails to promptly make such refund, the licensee shall have one year from the date of the notification of the audit result to file, with the Secretary, an application for refund found to be due and owing as a result of such audit; and (2) whenever a person eligible for a reduced registration fee pursuant to Section 3-806.3 of this Code has paid in excess of the reduced registration fee owed, the refund applicant shall have 2 years from the date of overpayment to apply with the Secretary for a refund of that part of payment made in excess of the established reduced registration fee.

(c) Whenever a person dies after making application for registration, application for a refund of the registration fees and taxes may be made if the vehicle is then sold or disposed of so that the registration plates, registration sticker and

card are never used. The Secretary of State shall refund the registration fees and taxes upon receipt within 6 months after the application for registration of an application for refund accompanied with the unused registration plates or registration sticker and card and proof of both the death of the applicant and the sale or disposition of the vehicle.

(d) Any application for refund received after the times specified in this Section shall be denied and the applicant in order to receive a refund must apply to the Court of Claims.

(d-5) Refunds may be granted for any title-related transaction if a title application has not been processed by the Secretary of State. If any application for a certificate of title under Section 3-104 or salvage title under Section 3-118 is verified by the National Motor Vehicle Title Information System (NMVTIS), and receives a warning or error from the NMVTIS reporting that the vehicle requires either a salvage certificate or a junk certificate in lieu of the original applied certificate of title or salvage title, then the applicant shall have 6 months to apply for a refund of cost, or the difference of the certificate of title or salvage certificate.

(e) The Secretary of State is authorized to maintain a two signature revolving checking account with a suitable commercial bank for the purpose of depositing and withdrawal-for-return those monies received and determined upon receipt to be in excess of the amount or amounts required

by law.

(f) Refunds on audits performed by Illinois or another member of the International Registration Plan shall be made in accordance with the procedures as set forth in the agreement.

(Source: P.A. 92-69, eff. 7-12-01.)

Section 10. "AN ACT concerning transportation", approved August 5, 2013, (Public Act 98-176), as amended by "AN ACT concerning transportation", approved July 16, 2014, (Public Act 98-722), is amended by changing Section 99 as follows:

(P.A. 98-176, Sec. 99)

Sec. 99. Effective date. This Act takes effect July 1, 2015  
~~July 8, 2015.~~

(Source: P.A. 98-176; 98-722)

Section 99. Effective date. This Act takes effect upon becoming law.