TRANSMITTAL SHEET FOR NOTICE OF INTENDED ACTION

Control 810 Department or Agency REVENU	JE	
Rule Nos. 810-5-7514		
Rule Title: Involuntary Transfer by Operation of Law		
New;XX _Amend;Repeal;Add	opt by Reference	
Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety?	No	
Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare?	Yes	
Is there another, less restrictive method of regulation available that could adequately protect the public?	No	
Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree?	No	
Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule?	N/A	
Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public?	Yes	
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Does the proposed rule have any economic impact?	Yes	
If the proposed rule has an economic impact, the proposed note prepared in accordance with subsection (f) of Section	sed rule is required to be a on 41-22-23, <u>Code of Alaba</u>	ccompanied by a fiscal ama 1975.
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I certify that the attached proposed rule has been prop Chapter 22, Title 41, Code of Alabama 1975 and that in the Administrative Procedure Division of the Legislative I	t conforms to all applicable	ith the requirements of e filing requirements of
Signature of certifying officer	/an	·
Date		

FOR APA RULE (Section 41-22-23(f))

Cont	rol No. <u>810</u> Department or Agency <u>REVENUE</u>
Rule	No: 810-5-7514
Rule	Title: Involuntary Transfer by Operation of Law.
***************************************	_NewXAmendRepealAdopt by Reference
	This rule has no economic impact.
X	This rule has an economic impact, as explained below:
1.	NEED/EXPECTED BENEFIT OF RUI F

The amendment will assist taxpayers in complying with the business transaction provisions of Act 2011-535. These provisions require all parties entering into business transactions with governmental entities to demonstrate proof of citizenship or lawful presence in the U.S.

- 2. COSTS/BENEFITS OF RULE AND WHY RULE IS THE MOST EFFECTIVE, EFFICIENT, AND FEASIBLE MEANS FOR ALLOCATING RESOURCES AND ACHIEVING THE STATED PURPOSE:
- 3. EFFECT OF THIS RULE ON COMPETITION:
- 4. EFFECT OF THIS RULE ON COST OF LIVING AND DOING BUSINESS IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:
- 5. EFFECT OF THIS RULE ON EMPLOYMENT IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:
- 6. SOURCE OF REVENUE TO BE USED FOR IMPLEMENTING AND ENFORCING THIS RULE:
- 7. THE SHORT-TERM/LONG-TERM ECONOMIC IMPACT OF THIS RULE ON AFFECTED PERSONS, INCLUDING ANALYSIS OF PERSONS WHO WILL BEAR THE COSTS AND THOSE WHO WILL BENEFIT FROM THE RULE:

The rule will eliminate additional legal costs for taxpayers associated with obtaining changes to court documents in order to comply with Act 2011-535.

- 8. UNCERTAINTIES ASSOCIATED WITH THE ESTIMATED BENEFITS AND BURDENS OF THE RULE, INCLUDING QUALITATIVE/QUANTITATIVE BENEFITS AND BURDEN COMPARISON:
- 9. THE EFFECT OF THIS RULE ON THE ENVIRONMENT AND PUBLIC HEALTH:
- 10. DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE RULE IS NOT IMPLEMENTED:

11. OTHER COMMENTS:

ALABAMA DEPARTMENT OF REVENUE Motor Vehicle Division

NOTICE OF INTENDED ACTION

RULE NO. & TITLE:

810-5-75-.14

Involuntary Transfer by Operation of Law

INTENDED ACTION:

Amend an existing rule

<u>SUBSTANCE OF PROPOSED ACTION:</u> The department proposes to amend an existing rule to provide assistance to taxpayers in complying with Section 30 of Act 2011-535 concerning business transactions. These provisions became effective on September 28, 2011 and require all parties entering into business transactions with governmental entities to demonstrate proof of citizenship or lawful presence in the United States.

TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be held at 10:00 a.m. on Tuesday, December 6, 2011, in the Office of the Legal Division, Room 3114, Gordon Persons Building, located at 50 N Ripley Street, Montgomery, Alabama. Copies of the rule(s) can be obtained at www.revenue.alabama.gov/rulehear.html.

All interested parties may present their views in writing to the Deputy Commissioner of the Alabama Department of Revenue, Room 4112, Gordon Persons Building, 50 N Ripley Street, Montgomery, Alabama 36132 at any time during the thirty-five (35) day period following publication of the notice or by appearing at the hearing.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:

Tuesday, December 6, 2011

CONTACT PERSON AT AGENCY:

Patricia Toles Alabama Department of Revenue 4131 Gordon Persons Building Montgomery, Alabama 36132 (334) 242-1380

Michael E. Mason, Deputy Commissioner

Alabama Department of Revenue

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810-5-75-.14 Involuntary Transfer by Operation of Law.

- When the interest of an owner in a motor vehicle or manufactured home passes to another, other than by voluntary transfer, the transferee shall mail or deliver to a designated agent the last certificate of title, if available, and proof of the transfer, and make application for certificate of title. The proof of transfer must identify the vehicle or manufactured home by vehicle identification number or manufactured home identification number, unless it is accompanied by the certificate of title, and specify that the transferee is the owner of the vehicle or copy thereof. In the event that the proof of transfer does not identify the vehicle or manufactured home by vehicle identification number or manufactured home identification number, and no title is available, a licensing official may utilize the department's title database to determine the identity of the vehicle or manufactured home. The licensing official must include a copy of the title record used to verify the identity of the vehicle or manufactured home with the title application documentation. Note: This requirement shall not apply when the interest of an owner is terminated and the vehicle or manufactured home is sold under a security agreement by a lienholder recorded on a certificate of title (see administrative rule 810-5-75-.17. Title Procedure -Repossessed Motor Vehicle).
- (2) A person holding a certificate of title whose interest in the vehicle <u>or</u> <u>manufactured home</u> has been extinguished or transferred other than by voluntary transfer shall mail or deliver the certificate to the department upon request of the department or otherwise being notified that the certificate of title has been voided by the issuance of a subsequent certificate of title. The delivery of the certificate pursuant to the request of the department does not affect the rights of the person surrendering the certificate; and the action of the department in issuing a new certificate of title as provided herein is not conclusive upon the rights of an owner or lienholder named in the old certificate.

Author:

Mike Gamble

Authority:

Sections 40-2A-7(a)(5) and 32-8-3(b)(2), Code of Alabama 1975

History: Repeal and New: Filed May 6, 2011, effective June 10, 2011.

Emergency Amendment filed October 7, 2011, expiring February 3, 2012.