

**ECONOMIC IMPACT STATEMENT
FOR APA RULE
(Section 41-22-23(f))**

Control No. 810 Department or Agency REVENUE

Rule No: **810-5-75-.14**

Rule Title: Involuntary Transfer by Operation of Law.

New Amend Repeal Adopt by Reference

This rule has no economic impact.

This rule has an economic impact, as explained below:

1. NEED/EXPECTED BENEFIT OF RULE:

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:

APA-2
11/96

**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

SUBSTANCE OF PROPOSED ACTION: 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.

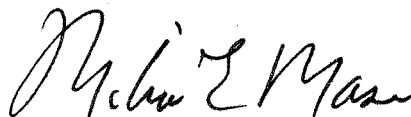
TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be held at **10:00 a.m.** on **Tuesday, December 6, 2011, in the Office of the Legal Division, Room 3114**, Gordon Persons Building, located at 50 N Ripley Street, Montgomery, Alabama. Copies of the rule(s) can be obtained at www.revenue.alabama.gov/rulehear.html.

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.

(1) 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 **or manufactured home** 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.