

**186A.145 Processing prohibited when property tax account delinquent --
Exceptions -- Responsibility for ad valorem taxes.**

- (1) Except as provided in subsections (2) and (3) of this section, a county clerk shall not process an application for Kentucky title and registration from or to any Kentucky resident who has a delinquent motor vehicle ad valorem property tax account.
- (2) This section shall not apply to transactions involving:
 - (a) Licensed Kentucky motor vehicle dealers;
 - (b) A person who is engaged in the business of storing or towing motor vehicles, applying for a new title under KRS 376.275(1)(c);
 - (c) Individuals when the delinquent motor vehicle ad valorem property taxes are owed by a previous owner who is not a party to the transaction; or
 - (d) A secured party applying for a repossession title under KRS 186.045(6).
- (3)
 - (a) For any vehicle obtained as the result of a claim on a motor vehicle insurance policy, an insurer and its agent shall not be responsible for the payment of any delinquent motor vehicle ad valorem property taxes owed by any previous owner, when:
 1. Applying for a regular or salvage title; or
 2. Transferring ownership of the vehicle to another party.
 - (b) The owner of a motor vehicle that was transferred to an insurer or its agent under paragraph (a) of this subsection shall remain responsible for any delinquent motor vehicle ad valorem property taxes owed prior to the transfer.
- (4) An insurer shall not be exempt from any motor vehicle ad valorem property taxes owed on any vehicle that it owns:
 - (a) As a part of its business operations; or
 - (b) On January 1, that was obtained as the result of a claim on a motor vehicle insurance policy.

Effective: June 27, 2025

History: Amended 2025 Ky. Acts ch. 95, sec. 8, effective June 27, 2025. -- Amended 2021 Ky. Acts ch. 74, sec. 14, effective June 29, 2021. -- Amended 1998 Ky. Acts ch. 128, sec. 5, effective July 15, 1998. -- Amended 1988 Ky. Acts ch. 113, sec. 8, effective December 31, 1988. -- Created 1982 Ky. Acts ch. 164, sec. 26, effective July 15, 1982.