

186A.220 Requirements for motor vehicle dealer upon receipt of motor vehicle or all-terrain vehicle.

- (1) Except as otherwise provided in this chapter, when any motor vehicle dealer licensed in this state buys or accepts a motor vehicle or all-terrain vehicle as defined in KRS 189.010 in trade, which has been previously registered or titled for use in this or another state, and which the dealer holds for resale, the dealer shall not be required to obtain a certificate of title for it, but shall, within fifteen (15) days after acquiring such vehicle, notify the county clerk of the assignment of the motor vehicle to his or her dealership and pay the required transferor fee.
- (2) Upon purchasing a motor vehicle or all-terrain vehicle, or accepting it in trade, the dealer shall obtain from the transferor, properly executed, all documents required by KRS 186A.215, to include the odometer disclosure statement thereon, together with a properly assigned certificate of title.
- (3) The dealer shall execute the application for assignment upon documents designated by the Department of Vehicle Regulation, to the county clerk of the county in which the dealer maintains his or her principal place of business. The clerk shall enter the assignment into AVIS.
- (4) The dealer shall retain the properly assigned certificate of title received from the transferor, and may make any reassignments on the title until the forms for dealer assignment on the certificate of title are exhausted. The Department of Vehicle Regulation may, if it deems it warranted, provide a special document to allow for additional dealer assignments without requiring system generated documents.
- (5)
 - (a) When a dealer assigns the vehicle to a purchaser for use, the dealer shall deliver the properly assigned certificate of title, and other documents if appropriate, to the purchaser, who shall make application for registration and a certificate of title.
 - (b) The dealer may, with the consent of the purchaser, deliver the assigned certificate of title, and other appropriate documents of a new or used vehicle, directly to the county clerk, and on behalf of the purchaser, make application for registration and a certificate of title. In so doing, the dealer shall require from the purchaser proof of insurance as mandated by KRS 304.39-080 before delivering possession of the vehicle.
 - (c) Notwithstanding the provisions of KRS 186.020, 186A.065, 186A.095, 186A.215, and 186A.300, if a dealer elects to deliver the title documents to the county clerk and has not received a clear certificate of title from a prior owner, the dealer shall retain the documents in his or her possession until the certificate of title is obtained.
 - (d) When a dealer assigns a vehicle to a purchaser for use under paragraph (a) of this subsection, the transfer and delivery of the vehicle is effective immediately upon the delivery of all necessary legal documents, or copies thereof, including proof of insurance as mandated by KRS 304.39-080.
- (6) The department may make available, upon proper application from a licensed motor vehicle dealer, electronic means by which the dealer can interface directly with AVIS and the department. If the department grants this access, all fees currently

required for the issuance of a certificate of title shall continue to be charged and remitted to the appropriate parties as provided by statute.

- (7) The Department of Vehicle Regulation shall ensure that AVIS is capable of accepting instructions from the county clerk that a certificate of title shall not be produced under a dealer registration situation.

Effective: June 27, 2025

History: Amended 2025 Ky. Acts ch. 95, sec. 11, effective June 27, 2025. -- Amended 2016 Ky. Acts ch. 90, sec. 1, effective July 15, 2016. -- Amended 1998 Ky. Acts ch. 128, sec. 7, effective July 15, 1998. -- Amended 1996 Ky. Acts ch. 35, sec. 6, effective July 15, 1996. -- Amended 1994 Ky. Acts ch. 51, sec. 2, effective July 15, 1994. -- Amended 1988 Ky. Acts ch. 98, sec. 2, effective July 15, 1988. -- Created 1982 Ky. Acts ch. 164, sec. 41, effective July 1, 1982.