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**IDAPA 39  
TITLE 02  
CHAPTER 12**

**39.02.12 - RULES GOVERNING ISSUING CERTIFICATES OF TITLE  
AND BONDED CERTIFICATES OF TITLE**

**000. LEGAL AUTHORITY.**

This rule is adopted under the authority of Section 49-523, Idaho Code. (12-26-90)

**001. TITLE AND SCOPE.**

This rule outlines the procedures and limitations for issuing certificates of title and bonded certificates of title. (12-26-90)

**002. -- 099. (RESERVED).**

**100. GENERAL.**

The Department shall issue a Certificate of Title on any motor vehicle if the applicant can show proper documentation of ownership and there are no undisclosed security interests in the vehicle. Such proper documentation shall be limited to: (12-26-90)

**01. Certificate of Title.** A valid Idaho Certificate of Title or a valid Certificate of Ownership issued by another state, province or country according to the applicable laws of another state, province or country which has been duly assigned or transferred to the applicant; or (12-26-90)

**02. MCO/MSO.** A properly executed Manufacturer's Certificate of Origin (MCO) or Manufacturer's Statement of Origin (MSO) in the case of a new motor vehicle being titled for the first time. (12-26-90)

**03. Homemade Vehicles.** In the case of homemade vehicles (vehicles not made by a manufacturer as defined by Section 49-114, Idaho Code) a bill of sale for the major component parts which shall include the following information: (12-26-90)

- a. Name of builder; (12-26-90)
- b. Vehicle Identification Number (VIN) or engine number for a motorcycle, if applicable; (12-26-90)
- c. Description of major component part, (by make, body type, year of manufacture, if applicable); (12-26-90)
- d. Purchase price; (12-26-90)
- e. Signature of seller. (12-26-90)

**04. Reconstructed Vehicles.** For a reconstructed vehicle as defined by Section 49-123 (i), Idaho Code, or specially constructed vehicle as defined by Section 49-123(k), Idaho Code, or "kits," the bill of sale shall be submitted for the following major components: (12-26-90)

- a. Frame or rails; (12-26-90)
- b. Engine or short block; (12-26-90)
- c. Transmission and/or transfer case; (12-26-90)
- d. Cab and/or body; (12-26-90)
- e. Front and rear clips; (12-26-90)
- f. Truck bed or box; or (12-26-90)
- g. A Certificate of Registration from a non-titling state, province or country; or (12-26-90)

**h.** A certified copy of a valid court order or decree passing title to the applicant as a matter of law (for example: a property settlement, divorce decree, bankruptcy or probate.) (12-26-90)

**101. -- 199. (RESERVED).**

**200. BONDED TITLE.**

Application may be made for a "bonded title" when the applicant has actual possession of the vehicle but is unable to provide proper documentation of ownership. (12-26-90)

**01. Proper Documentation Cannot Be Obtained.** The applicant must satisfy the Department that proper documentation cannot be obtained. However, the applicant must provide sufficient documentation to satisfy the Department that it is more probable than not that the applicant is the owner of the vehicle. (12-26-90)

**02. Vehicle Physical Inspection.** The applicant must produce the vehicle for a physical inspection by a representative designated by the Department. (12-26-90)

**03. Affidavit of Explanation.** The applicant must provide an affidavit explaining the reasons for the absence of a valid Certificate of Title or Certificate of Ownership and how the vehicle came into the possession of the applicant. A listing of any liens (loans) or encumbrances against the vehicle, the name of the state, province or country where the vehicle was last titled or registered, and the name under which the vehicle was titled or if a non-title state, province or country, a registration is also required. (12-26-90)

**04. Bond Amount.** The applicant must provide a bond in the amount of one (1) and one-half (1/2) times the value of the vehicle or a cash deposit of like amount with the Department. A cash bond shall be in the form of a cashiers check, money order or certified check made payable to the Idaho Transportation Department. The form of the bond shall conform to Exhibit 1 of this rule. (12-26-90)

**05. Vehicle Appraisal.** The applicant shall provide an appraisal of the vehicle by a licensed Idaho automobile dealer on the dealer's letterhead with dealer's number or by a Motor Vehicle Investigator. The appraisal shall reflect the current retail value of the vehicle. This appraisal shall be considered by the Department to determine the value of the vehicle. (12-26-90)

**201. BOND SURETY.**  
The bond must be issued by a corporate surety, qualified and licensed to do business in Idaho. (12-26-90)

**202. CLAIMS AGAINST THE BOND.**

Should any expense, loss or damage occur, for any reason covered by the bond, persons or entities suffering such loss shall make claim directly against the principal (applicant) and the surety. If the applicant has made a cash deposit, any claim shall be made through the Department's Motor Vehicle Bureau Chief. (12-26-90)

**203. EXPIRATION OF BONDING REQUIREMENT.**

Upon expiration of a three (3) year period from the date of issuance of the bonded title, the bond or cash deposit shall be returned without interest unless the Department has been notified in writing of a pending claim or action to recover on the bond or deposit. If there has been no claim, the applicant shall surrender the bonded title and apply for a clear Certificate of Title. A clear Certificate of Title will be issued upon certification of the application and payment of the proper fees. (12-26-90)

**204. RETURN OF BOND PRIOR TO THREE YEAR PERIOD.**

The bond or cash deposit shall be returned prior to the three (3) year period if the vehicle is no longer registered in this state, and the Department has not been notified of any claim or action to recover on the bond. (12-26-90)

**205. -- 299. (RESERVED).**

**300. SALES AND USE TAX.**

Any sales or use tax shall be paid to the Department or to the county assessor prior to issuance of a bonded title. (12-26-90)

**301. -- 999. (RESERVED).**

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