

# SELL IT RIGHT

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## SELL IT RIGHT

**Selling your vehicle can be simple, but to avoid problems between you and the buyer, you should know what the law requires.**

**Wisconsin law says you can sell up to five vehicles (titled in your name) within a 12 month period.**

**If you sell more than five, or if you buy even one vehicle for the purpose of reselling it, you must have a dealer license.**

### **Avoid problems by selling it right**

- ▶ **Provide a vehicle title.**
- ▶ **Complete the odometer statement.**
- ▶ **Get a title brand if needed.**
- ▶ **Take your plates off your car.**
- ▶ **Junk it right.**

### **Provide a vehicle title**

- ▶ **Have a vehicle titled in your name.**  
Wisconsin law says a vehicle must be titled every time owners change, even if the vehicle is never driven. You can't sell a vehicle that isn't titled to you, unless you have the power of attorney to do so.

- ▶ **Pay what you owe before you sell the car.**  
If you owe money for the car you're selling and purchased it prior to July 30, 2012, your title will show a lien (a secured party). You must pay the balance of the loan and get a lien release before selling the vehicle.

Note: If you financed the vehicle after July 30, 2012 your title is held by the financial institution and will be sent to you after the lien is paid off.

Give the title and lien release to the buyer. The buyer will need both documents to get a title. As the seller, you're guaranteeing you own the car and do not owe money for it.

- ▶ **Keep the title until you have been paid in full.**  
A dealer doesn't need your title to sell your car on consignment. Never sign your title or give it to anyone until you're paid for the car. Don't keep your title in the car.
- ▶ **Give the most recent title to the buyer.**  
If you lost the original title and got a replacement, sign the replacement and give it to the buyer—even if you find the original.
- ▶ **Have all owners sign the title.**  
All owners whose names are joined by "and" on the title must sign the title. Only one owner needs to sign when names are joined by "or."
- ▶ **Be honest.**  
Record the sale price accurately on the title. The Department of Revenue checks titles and investigates suspiciously low sale prices.

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### Complete the odometer statement

When you sell your car, the title becomes the bill of sale and odometer statement. If your car is less than 10 model years old, write in the odometer reading—even if you sell to a family member. The current calendar year minus your car's model year equals your car's age. If you wish to document the sale further, you can obtain a bill of sale on the DOT's website at [wisconsindot.gov](http://wisconsindot.gov)

The odometer reading is the number of miles on the vehicle, not on the engine (even if the engine is newer than the rest of the vehicle.) Write the miles in the space provided on the title and show whether the miles are:

✓ **Actual:** The odometer has always worked properly and recorded all miles the vehicle has traveled.

✓ **Not Actual:** The odometer was replaced and set at zero because of a repair; the odometer stopped working and the car was driven more than 30 days before repair; or, the odometer numbers were turned back.

✓ **In Excess of Mechanical Limits:** The odometer showed 99,999 miles and turned to zero, instead of turning to 100,000.

Note: Only 6-digit odometers can record more than 100,000 miles. Don't record tenths of miles on the title.

### Get a title brand if needed

A "brand" is a permanent note on a title that gives a prospective buyer important information about the history of a vehicle.

Note: There are penalties up to \$5000 for failing to disclose title brand information.

Your title must be branded if, during the time you owned the vehicle, you could answer "yes" to any of the following questions:

✓ Was your vehicle used as taxi or for public transportation?



### Tips for selling it right

- ▶ **Have a vehicle title in your name.**
- ▶ **Pay what you owe before you sell the car.**
- ▶ **Keep the title until the buyer pays you.**
- ▶ **Give the most recent title to the buyer.**
- ▶ **Have all owners sign the title.**
- ▶ **Complete the odometer statement.**
- ▶ **Get a title brand if needed.**
- ▶ **Take your plates off the car to avoid tickets.**
- ▶ **Photocopy and save the signed title or bill of sale.**
- ▶ **Transfer plates to your next car.**
- ▶ **Junk the title if you junk the car.**
- ▶ **Get a dealer license to sell more than 5 privately titled vehicles within a 12 month period.**

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- ✓ Was it salvaged? A salvage brand is needed if your car is less than 7 model years old and was damaged 70% or more of your vehicle's fair market value.
- ✓ Was it flood damaged? A flood damaged brand is needed if water damage equals 70% or more of your vehicle's fair market value.
- ✓ Was it used as a police vehicle?
- ✓ Was it imported without U.S. emission and safety certification?

If your vehicle was salvaged, repaired and passed inspection, your title should have the brand "rebuilt salvage." The brand "manufacturer buyback" on your title means the car was bought back under a lemon law.

To get your title branded, fill out the title brand information on the title or the Application for Title and Registration Form (Form MV1).

### Take your plates off your car

#### ▶ Transfer plates to your next car.

If your plates are not expired, you can transfer them to a car titled to you or your spouse. You can't transfer your plates to the buyer—even if it's another family member. If you don't use the plates, you can't get a refund for the remaining registration time.

#### ▶ Avoid getting tickets.

Plates stay in your name. When you sell, take your plates off the car. If you don't, you might get the buyer's tickets if the buyer doesn't get a title and new plates right away.

Note: Always keep proof you sold your car. Keep a copy of the signed title, or write a bill of sale for both parties to sign. Remember to include the vehicle identification number.

### Junk it right

If you sell your car as junk and you don't want the car to be driven again, write the word "junk" across the title before you give it to the buyer or salvage dealer.

If you lost your title, you don't need a replacement title to junk the car. You can show the certificate of vehicle registration as proof you own the car, and sign a junk bill of sale.

Note: Once a vehicle is junked it can never be titled or licensed again, even if someone repairs or restores it.

### For more information

Wisconsin Department of Transportation  
(WisDOT) Dealer and Agent Section  
4802 Sheboygan Ave, Room 201

PO Box 7909

Madison, WI 53707-7909

Phone: (608) 266-1425

Email: [dealers.dmv@dot.wi.gov](mailto:dealers.dmv@dot.wi.gov)

#### *About getting a dealer license*

WisDOT Dealer and Agent Section

Phone: (608) 266-1425

#### *About branding your vehicle title*

WisDOT Research and Information

Phone: (608) 266-1466

#### *About selling your vehicle*

WisDOT Research and Information

Phone: (608) 266-1466

