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HOUSE BILL No. 1153

Proposed Changes to introduced printing by AM115305

DIGEST OF PROPOSED AMENDMENT

Various changes. Amends the documentation that a dealer must collect from a business that is purchasing a vehicle. Removes the provisions from the bill: (1) requiring the state department of revenue to provide certain information to the dealer services division; (2) concerning the time period that an interim license plate is valid and the deadline for the transfer of a certificate of title; and (3) requiring the department of child services to provide certain information to the secretary of state. Amends the requirements for a transport operator to file a verified application for a registration number.

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. ~~IC 6-8.1-3-16, AS AMENDED BY P.L.1-2025,~~
2 ~~SECTION 101, IS AMENDED TO READ AS FOLLOWS~~
3 ~~[EFFECTIVE JULY 1, 2026]~~: Sec. 16. (a) The department shall
4 ~~prepare a list of all outstanding tax warrants for listed taxes each~~
5 ~~month. The list shall identify each taxpayer liable for a warrant by~~
6 ~~name, address, amount of tax, and either Social Security number or~~
7 ~~employer identification number. Unless the department renews the~~
8 ~~warrant, the department shall exclude from the list a warrant issued~~
9 ~~more than ten (10) years before the date of the list. The department~~
10 ~~shall certify a copy of the list to the bureau of motor vehicles. The~~
11 ~~department shall also certify a copy of all vehicle identification~~
12 ~~numbers associated with outstanding tax warrants and the~~
13 ~~corresponding tax warrant numbers to the dealer services division~~
14 ~~within the office of the secretary of state.~~
15 (b) The department shall prescribe and furnish tax release forms

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1 taxes in satisfaction of an outstanding warrant shall issue to the
 2 taxpayers named on the warrant a tax release stating that the tax has
 3 been paid. The department may also issue a tax release:
 4 (1) to a taxpayer who has made arrangements satisfactory to the
 5 department for the payment of the tax, or
 6 (2) by action of the commissioner under IC 6-8.1-8-2(k).
 7 (c) The department may not issue or renew:
 8 (1) a certificate under IC 6-2.5-8 or IC 6-7-4;
 9 (2) a license under IC 6-6-1.1 or IC 6-6-2.5; or
 10 (3) a permit under IC 6-6-4.1;
 11 to a taxpayer whose name appears on the most recent monthly warrant
 12 list, unless that taxpayer pays the tax, makes arrangements satisfactory
 13 to the department for the payment of the tax, or a release is issued
 14 under IC 6-8.1-8-2(k).
 15 (d) The bureau of motor vehicles shall, before issuing the title to
 16 a motor vehicle under IC 9-17, determine whether the purchaser's or
 17 assignee's name is on the most recent monthly warrant list. If the
 18 purchaser's or assignee's name is on the list, the bureau shall enter as
 19 a lien on the title the name of the state as the lienholder unless the
 20 bureau has received notice from the commissioner under
 21 IC 6-8.1-8-2(k). The tax lien on the title:
 22 (1) is subordinate to a perfected security interest (as defined and
 23 perfected in accordance with IC 26-1-9.1); and
 24 (2) shall otherwise be treated in the same manner as other title
 25 liens.
 26 (e) The commissioner is the custodian of all titles for which the
 27 state is the sole lienholder under this section. Upon receipt of the title
 28 by the department, the commissioner shall notify the owner of the
 29 department's receipt of the title.
 30 (f) The department shall reimburse the bureau of motor vehicles
 31 for all costs incurred in carrying out this section.
 32 (g) Notwithstanding IC 6-8.1-8, a person who is authorized to
 33 collect taxes, interest, or penalties on behalf of the department under
 34 IC 6-3 or IC 6-3.6 may not, except as provided in subsection (h) or (i),
 35 receive a fee for collecting the taxes, interest, or penalties if:
 36 (1) the taxpayer pays the taxes, interest, or penalties as
 37 consideration for the release of a lien placed under subsection
 38 (d) on a motor vehicle title; or
 39 (2) the taxpayer has been denied a certificate or license under
 40 subsection (c) within sixty (60) days before the date the taxes,
 41 interest, or penalties are collected.
 42 (h) In the case of a sheriff, subsection (g) does not apply if:



1 (1) the sheriff collects the taxes, interest, or penalties within
 2 sixty (60) days after the date the sheriff receives the tax warrant;
 3 or
 4 (2) the sheriff collects the taxes, interest, or penalties through the
 5 sale or redemption, in a court proceeding, of a motor vehicle that
 6 has a lien placed on its title under subsection (d).
 7 (i) In the case of a person other than a sheriff:
 8 (1) subsection (g)(2) does not apply if the person collects the
 9 taxes, interests, or penalties within sixty (60) days after the date
 10 the commissioner employs the person to make the collection;
 11 and
 12 (2) subsection (g)(1) does not apply if the person collects the
 13 taxes, interest, or penalties through the sale or redemption, in a
 14 court proceeding, of a motor vehicle that has a lien placed on its
 15 title under subsection (d).
 16 (j) IC 5-14-3-4, IC 6-8.1-7-1, and any other law exempting
 17 information from disclosure by the department do not apply to this
 18 subsection. The department shall prepare a list of retail merchants
 19 whose registered retail merchant certificate has not been renewed
 20 under IC 6-2.5-8-1(h) or whose registered retail merchant certificate
 21 has been revoked under IC 6-2.5-8-7 or whose electronic cigarette
 22 retail dealer's certificate has been revoked or suspended under
 23 IC 6-7-4-10. The list compiled under this subsection must identify each
 24 retail merchant by name (including any name under which the retail
 25 merchant is doing business), address, and county. The department shall
 26 publish the list compiled under this subsection on the department's
 27 website (as operated under IC 4-13.1-2) and make the list available for
 28 public inspection and copying under IC 5-14-3. The department or an
 29 agent, employee, or officer of the department is immune from liability
 30 for the publication of information under this subsection.

31 ~~SECTION 2. IC 9-32-3-14 IS ADDED TO THE INDIANA~~
 32 ~~CODE AS A NEW SECTION TO READ AS FOLLOWS~~
 33 ~~[EFFECTIVE JULY 1, 2026]: Sec. 14. A dealer must obtain and~~
 34 ~~retain one (1) of the following from a potential purchaser:~~

35 (1) From an individual, a photocopy or electronic scan of the
 36 individual's driver's license or identification card.
 37 (2) From a business, one (1) of the following:
 38 (A) The business's federal employer identification
 39 number.<

40 ~~SECTION 3. IC 9-32-4-1, AS AMENDED BY P.L.137-2018,~~
 41 ~~SECTION 6, IS AMENDED TO READ AS FOLLOWS~~
 42 ~~[EFFECTIVE JULY 1, 2026]: Sec. 1. (a) As used in this section,~~



1 “transferring party” has the meaning set forth in IC 9-17-3-6.

2 (b) Except as provided in IC 9-32-4.5, if a motor vehicle or
 3 watercraft for which a certificate of title has been issued is sold or
 4 if the ownership of the motor vehicle or watercraft is transferred
 5 in any manner other than by a transfer on death conveyance under
 6 IC 9-17-3-9, in addition to complying with IC 9-17-3-3.4, the
 7 transferring party must do the following:

8 (1) In the case of a sale or transfer between dealers licensed
 9 by this state or another state, deliver or transmit the
 10 certificate of title within thirty-one (31) days after the date of
 11 the sale or transfer.

12 (2) Deliver or transmit the certificate of title to the purchaser
 13 or transferee within thirty-one (31) days after the date of sale
 14 or transfer to the purchaser or transferee of the motor
 15 vehicle or watercraft, if all the following conditions exist:

16 (A) The transferring party is a dealer licensed by the
 17 state under this article.

18 (B) The dealer is not able to deliver or transmit the
 19 certificate of title at the time of sale or transfer.

20 (C) The dealer provides the purchaser or transferee
 21 with an affidavit under section 2 of this chapter.

22 (D) The purchaser or transferee has made all agreed
 23 upon initial payments for the motor vehicle or
 24 watercraft, including delivery of a trade-in motor
 25 vehicle or watercraft without hidden or undisclosed
 26 statutory liens.

27 (3) Keep proof of delivery or transmission of the certificate
 28 of title with the dealer records.

29 (c) A dealer may offer for sale a motor vehicle or watercraft
 30 for which the dealer does not possess a certificate of title, if the
 31 dealer can comply with subsection (b)(1) or (b)(2) at the time of the
 32 sale.

33 (d) A dealer that fails to deliver or transmit the certificate of
 34 title within the time specified under subsection (b) is subject to the
 35 following civil penalties:

36 (1) One hundred dollars (\$100) for the first violation in a
 37 calendar year;

38 (2) Two hundred fifty dollars (\$250) for the second violation
 39 in a calendar year;

40 (3) Five hundred dollars (\$500) for all subsequent violations
 41 in a calendar year.

42 Payment shall be made to the secretary and deposited in the dealer



1 enforcement account established under IC 9-32-7-2.

2 (e) If a purchaser or transferee does not receive a valid
 3 certificate of title within the time specified by this section, the
 4 purchaser or transferee has the right to return the motor vehicle
 5 or watercraft to the dealer ten (10) days after giving the dealer
 6 written notice demanding delivery or transmission of a valid
 7 certificate of title and the dealer's failure to deliver or transmit a
 8 valid certificate of title within that ten (10) day period. Upon
 9 return of the motor vehicle or watercraft to the dealer in the same
 10 or similar condition as delivered to the purchaser or transferee
 11 under this section, the dealer shall pay to the purchaser or
 12 transferee the purchase price plus sales taxes, finance expenses,
 13 insurance expenses, and any other amount paid to the dealer by the
 14 purchaser or transferee. The relief referenced in this subsection is
 15 relief for the purchaser or transferee only and does not preclude
 16 the ability of the division to collect civil penalties under subsection
 17 (d).

18 (f) For purposes of this subsection, "timely deliver", with
 19 respect to a third party, means to deliver or transmit to the
 20 purchaser or transferee by postmark dated mail, electronically
 21 dated transmission, or by hand delivery not more than ten (10)
 22 business days after there is no obligation secured by the motor
 23 vehicle or watercraft. If the dealer's inability to timely deliver or
 24 transmit a valid certificate of title results from the acts or
 25 omissions of a third party that has failed to timely deliver or
 26 transmit a valid certificate of title to the dealer, the dealer is
 27 entitled to claim against the third party one hundred dollars
 28 (\$100). If:

29 (1) the dealer's inability to timely deliver or transmit a valid
 30 certificate of title results from the acts or omissions of a third
 31 party that has failed to timely deliver or transmit the
 32 certificate of title in the third party's possession to the
 33 dealer; and

34 (2) the failure continues for ten (10) business days after the
 35 dealer gives the third party written notice of the failure;
 36 the dealer is entitled to claim against the third party all damages
 37 sustained by the dealer in rescinding the dealer's sale with the
 38 purchaser or transferee, including the dealer's reasonable
 39 attorney's fees.

40 (g) If a motor vehicle or watercraft for which a certificate of
 41 title has been issued by another state is sold or delivered, the
 42 person selling or delivering the motor vehicle or watercraft shall



1 deliver or transmit to the purchaser or receiver of the motor
 2 vehicle or watercraft a proper certificate of title with an
 3 assignment of the certificate of title in a form prescribed by the
 4 bureau.

5 (h) A dealer shall make payment to a third party to satisfy any
 6 obligation secured by the motor vehicle or watercraft sold by or
 7 traded to the dealer not later than ten (10) days after the motor
 8 vehicle or watercraft is delivered to or sold by the dealer.

9 (i) Except as provided in subsection (j), a person that violates
 10 this section commits a Class C infraction.

11 (j) A person that knowingly or intentionally violates subsection
 12 (b)(1), (b)(2), or (e) commits a Class B misdemeanor.

13 (k) For purposes of this section, "deliver or transmit the
 14 certificate of title" means to deliver or transmit the certificate of
 15 title to the purchaser or transferee by postmark dated mail,
 16 certified mail with return receipt, electronic transmission through
 17 the bureau's file system, or hand delivery.

18 ~~SECTION 4. IC 9-32-4.5 IS ADDED TO THE INDIANA
 19 CODE AS A NEW CHAPTER TO READ AS FOLLOWS
 20 [EFFECTIVE JULY 1, 2026]:~~

21 ~~Chapter 4.5. Extensions Due to Issue with Certificate of Title
 22 Sec. 1. A dealer may apply to the secretary to request an
 23 extension of:~~

24 (1) the time period an interim license plate is valid under
 25 IC 9-32-6-11(d); and

26 (2) the time period the dealer has to deliver or transmit a
 27 certificate of title under IC 9-32-4-1(b);

28 if the dealer encounters an issue with obtaining a certificate of title
 29 for a motor vehicle.

30 Sec. 2. If the secretary grants a request under section 1 of this
 31 chapter, the following apply:

32 (1) The secretary must issue an additional interim license
 33 plate for the motor vehicle under IC 9-32-6-11. An interim
 34 license plate issued under this subdivision authorizes the
 35 person to operate the motor vehicle until the earlier of the
 36 following dates:

37 (A) Sixty (60) days after the interim license plate is
 38 issued by the secretary.

39 (B) The date on which a regular license plate is issued.

40 (2) The dealer has an additional forty-five (45) days from the
 41 date the secretary grants a request under section 1 of this
 42 chapter to deliver the certificate of title for the motor vehicle



1 under IC 9-32-4-1(b).

2 Sec. 3. A dealer may request not more than twenty (20)
3 extensions under section 1 of this chapter in a thirty (30) day
4 period.

5 ~~— SECTION 5. IC 9-32-6-11, AS AMENDED BY P.L.20-2022,~~
6 ~~SECTION 6, IS AMENDED TO READ AS FOLLOWS~~
7 ~~[EFFECTIVE JULY 1, 2026]~~: Sec. 11. (a) The secretary may issue
8 an interim license plate to the following persons licensed under this
9 article:

10 ~~(1) An automobile auction company.~~

11 (2) A converter manufacturer.

12 ~~(3) A new motor vehicle dealer.~~

13 ~~(4) A watercraft dealer.~~

14 — (5) A manufacturer.

15 ~~(6) A used motor vehicle dealer.~~

16 —(b) The secretary shall prescribe the form of an interim license
17 plate issued under this section. An interim license plate must bear
18 the assigned registration number and provide sufficient space for
19 the expiration date as provided in subsection (c).

20 (c) A dealer may provide a person with not more than one (1)
21 interim license plate issued by the secretary at the time the dealer:

22 ~~(1) sells or leases a motor vehicle to the person, or~~

23 (2) allows a person that buys a motor vehicle to take delivery
24 of the motor vehicle before the sale of the motor vehicle is
25 fully funded;

26 whichever occurs first. The dealer shall, in the manner provided by
27 the secretary, affix on the plate in numerals and letters at least
28 three (3) inches high the date on which the interim license plate
29 expires.

30 — (d) Except as provided in IC 9-32-4.5, an interim license plate
31 authorizes a person to operate the motor vehicle until the earlier
32 of the following dates:

~~(1) Forty-five (45) days after the date of sale or lease of the motor vehicle to the person;~~

~~34. Motor vehicle to the person.~~
~~35. (2) The date on which a regular license plate is issued.~~

A person that violates this subsection commits a Class A infraction:

(e) A motor vehicle that is required by law to display license plates on the front and rear of the motor vehicle is required to display only a single interim license plate.

40 ~~display only a single interim license plate.~~
~~(f) An interim license plate shall be displayed:~~

(1) in the same manner required in IC 9-18-2-26 (before its expiration) or IC 9-18.1-4-3; or



1 (2) in a location on the left side of a window facing the rear
 2 of the motor vehicle that is clearly visible and unobstructed.
 3 The plate must be affixed to the window of the motor vehicle.
 4 (g) The dealer must provide an ownership document to the
 5 person at the time of issuance of the interim license plate that must
 6 be kept in the motor vehicle during the period an interim license
 7 plate is used.
 8 (h) All interim license plates not issued by the dealer must be
 9 retained in the possession of the dealer at all times.
 10 (i) The fee for an interim dealer license plate is three dollars
 11 (\$3). The fee shall be distributed as follows:
 12 (1) Forty percent (40%) to the crossroads 2000 fund
 13 established by IC 8-14-10-9.
 14 (2) Forty-nine percent (49%) to the dealer compliance
 15 account established by IC 9-32-7-1.
 16 (3) Eleven percent (11%) to the motor vehicle highway
 17 account under IC 8-14-1.
 18 (j) The secretary may issue an interim license plate to a person
 19 that purchases a motor vehicle from a dealer if the dealer has not
 20 timely delivered or transmitted the certificate of title for the motor
 21 vehicle under IC 9-32-4-1.
 22 (k) The secretary may design and issue to a dealer a motor
 23 driven cycle decal to be used in conjunction with an interim license
 24 plate upon the sale of a motor driven cycle.
 25 (l) A new motor vehicle dealer may issue an interim license
 26 plate for use on a new motor vehicle that the new motor vehicle
 27 dealer delivers to a purchaser on behalf of a manufacturer or
 28 another new motor vehicle dealer if:
 29 (1) there is a written courtesy agreement between the new
 30 motor vehicle dealer delivering the motor vehicle and the
 31 new motor vehicle dealer or manufacturer that sold the
 32 motor vehicle being delivered; and
 33 (2) the new motor vehicle is transported directly from the
 34 manufacturer to the new motor vehicle dealer delivering the
 35 new motor vehicle to the purchaser.
 36 A person that violates this subsection commits a Class C infraction.
 37 (m) A person that fails to display an interim license plate as
 38 prescribed in subsection (f)(1) or (f)(2) commits a Class C
 39 infraction.
 40 **SECTION 6>|**
 41 **(B) A photocopy or electronic scan of a driver's license,**
 42 **identification card, or other government issued**



photographic identification card of an owner, officer, or other individual authorized to act on behalf of the business, together with the name of the business.

SECTION 2. IC 9-32-7.5-2, AS AMENDED BY P.L.182-2021, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 2. (a) This section does not apply to a vehicle registered as a recovery vehicle under IC 9-18.1-6.

(b) A transport operator may, instead of registering each motor vehicle transported or disposable trailer used, make a verified application upon a form prescribed by the secretary and furnished by the secretary for a general distinctive registration number for:

(1) all motor vehicles transported by the transport operator and used and operated for the purposes provided; or

(2) all disposable trailers used and operated for the purpose of transporting sectionalized buildings.

(c) The application must contain the following:

(1) A brief description of:

(A) each style or type of motor vehicle transported or the type of disposable trailer used to transport the sectionalized building, whichever is applicable; and

(B) the manner in which the transport operator intends to use the plates.

(2) The name and address of the transport operator

(3) For an application to use a disposable trailer, a statement that the disposable trailer will be disassembled after a single use.

(4) Any other information the secretary requires.

(d) The secretary may not issue transport operator license plates to a transport operator that has been convicted of violating this article until the secretary is satisfied that the transport operator is able to comply with the requirements of this section.

(e) Beginning July 1, 2026, a transport operator must [either:

(1) [] have an established place of business with a physical Indiana address [] or

(2) if the transport operator does not have an established place of business in Indiana, provide the secretary with proof of the transport operator's valid registration from the United States Department of Transportation authorizing the transport operator to transport within Indiana:

1 to make a verified application under this section.

SECTION ~~3~~ [3]. IC 9-32-16-17 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 17. (a) A dealership must be

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1 licensed by the secretary of state under this article to operate in
 2 Indiana.

3 **(b) A dealership that violates this subsection commits a Class
 4 A infraction.**<

5 ~~SECTION 8. IC 31-25-4-30, AS ADDED BY P.L.145-2006,
 6 SECTION 271, IS AMENDED TO READ AS FOLLOWS
 7 [EFFECTIVE JULY 1, 2026]: Sec. 30. (a) The bureau shall, each
 8 month, prepare a list of each person against whom a child support
 9 obligation lien is held under IC 31-16-16-3 (or IC 31-2-11-9 before its
 10 repeal). The list must identify each person liable for a lien by name,
 11 address, amount of lien, and either Social Security number or employer
 12 identification number. The bureau shall certify a copy of the list to the
 13 bureau of motor vehicles and the secretary of state.~~

14 ~~(b) The bureau of motor vehicles shall, before issuing the title to
 15 a motor vehicle under IC 9-17, determine whether the purchaser's or
 16 assignee's name is on the most recent monthly lien list. If the
 17 purchaser's or assignee's name is on the list, the bureau shall enter as
 18 a lien on the title the name of the state as the lienholder. The state's lien
 19 on a title under this section is subordinate to a prior perfected security
 20 interest if the interest is defined and perfected under any of the
 21 following:~~

22 ~~(1) IC 26-1-9.1.~~

23 ~~(2) IC 32-8 (before its repeal).~~

24 ~~(3) IC 32-28.~~

25 ~~(4) IC 32-29.~~

26 ~~(5) IC 32-33.~~

27 ~~(6) IC 32-34-10.~~

28 ~~(c) A lien against the title under this section must be treated in the
 29 same manner as any other subordinate title lien.~~

30 ~~(d) The bureau shall prescribe and furnish release forms for use by
 31 the bureau. When the amount of the lien is paid, the bureau shall issue
 32 to the person against whom the lien was held a release stating that the
 33 amount represented by the lien has been paid. The bureau may also
 34 issue a release to a person against whom the lien is held if the person
 35 has made arrangements, agreed to by the bureau, for the payment of the
 36 amount represented by the lien.~~

37 ~~(e) The director of the bureau or the director's designee is the
 38 custodian of all titles having the state as the sole lienholder under this
 39 section. Upon receiving a title from the bureau of motor vehicles under
 40 this section, the director shall notify the owner of the motor vehicle.~~

41 ~~(f) The bureau shall reimburse the bureau of motor vehicles for all
 42 costs incurred by the bureau in implementing this section.~~>

