

# HB1640



## 100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB1640

by Rep. Michael J. Madigan

### SYNOPSIS AS INTRODUCED:

625 ILCS 5/3-112

from Ch. 95 1/2, par. 3-112

Amends the Illinois Vehicle Code. Makes a technical change in a Section concerning transfer of an owner's interest in a vehicle.

LRB100 03251 AXK 13256 b

A BILL FOR

1 AN ACT concerning transportation.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Illinois Vehicle Code is amended by changing  
5 Section 3-112 as follows:

6 (625 ILCS 5/3-112) (from Ch. 95 1/2, par. 3-112)

7 Sec. 3-112. Transfer.

8 (a) If an owner transfers his interest in a vehicle, other  
9 than by the ~~the~~ creation of a security interest, at the time of  
10 the delivery of the vehicle he shall execute to the transferee  
11 an assignment and warranty of title in the space provided on  
12 the certificate of title, or as the Secretary of State  
13 prescribes, and cause the certificate and assignment to be  
14 mailed or delivered to the transferee or to the Secretary of  
15 State.

16 If the vehicle is subject to a tax under the Mobile Home  
17 Local Services Tax Act in a county with a population of less  
18 than 3,000,000, the owner shall also provide to the transferee  
19 a certification by the treasurer of the county in which the  
20 vehicle is situated that all taxes imposed upon the vehicle for  
21 the years the owner was the actual titleholder of the vehicle  
22 have been paid. The transferee shall be liable only for the  
23 taxes he or she incurred while he or she was the actual

1 titleholder of the mobile home. The county treasurer shall  
2 refund any amount of taxes paid by the transferee that were  
3 imposed in years when the transferee was not the actual  
4 titleholder. The provisions of this amendatory Act of 1997  
5 (P.A. 90-542) apply retroactively to January 1, 1996. In no  
6 event may the county treasurer refund amounts paid by the  
7 transferee during any year except the 10 years immediately  
8 preceding the year in which the refund is made. If the owner is  
9 a licensed dealer who has purchased the vehicle and is holding  
10 it for resale, in lieu of acquiring a certification from the  
11 county treasurer he shall forward the certification received  
12 from the previous owner to the next buyer of the vehicle. The  
13 owner shall cause the certification to be mailed or delivered  
14 to the Secretary of State with the certificate of title and  
15 assignment.

16 (b) Except as provided in Section 3-113, the transferee  
17 shall, promptly and within 20 days after delivery to him of the  
18 vehicle and the assigned title, execute the application for a  
19 new certificate of title in the space provided therefor on the  
20 certificate or as the Secretary of State prescribes, and cause  
21 the certificate and application to be mailed or delivered to  
22 the Secretary of State.

23 (c) Upon request of the owner or transferee, a lienholder  
24 in possession of the certificate of title shall, unless the  
25 transfer was a breach of his security agreement, either deliver  
26 the certificate to the transferee for delivery to the Secretary

1 of State or, upon receipt from the transferee of the owner's  
2 assignment, the transferee's application for a new certificate  
3 and the required fee, mail or deliver them to the Secretary of  
4 State. The delivery of the certificate does not affect the  
5 rights of the lienholder under his security agreement.

6 (d) If a security interest is reserved or created at the  
7 time of the transfer, the certificate of title shall be  
8 retained by or delivered to the person who becomes the  
9 lienholder, and the parties shall comply with the provisions of  
10 Section 3-203.

11 (e) Except as provided in Section 3-113 and as between the  
12 parties, a transfer by an owner is not effective until the  
13 provisions of this Section and Section 3-115 have been complied  
14 with; however, an owner who has delivered possession of the  
15 vehicle to the transferee and has complied with the provisions  
16 of this Section and Section 3-115 requiring action by him as  
17 not liable as owner for any damages thereafter resulting from  
18 operation of the vehicle.

19 (f) The Secretary of State shall not process any  
20 application for a transfer of an interest in a vehicle if any  
21 fees or taxes due under this Act from the transferor or the  
22 transferee have not been paid upon reasonable notice and  
23 demand.

24 (g) If the Secretary of State receives an application for  
25 transfer of a vehicle subject to a tax under the Mobile Home  
26 Local Services Tax Act in a county with a population of less

1 than 3,000,000, such application must be accompanied by the  
2 required certification by the county treasurer or tax assessor  
3 authorizing the issuance of the title.

4 (Source: P.A. 92-651, eff. 7-11-02.)