132nd General Assembly

Regular Session

Sub. H. B. No. 297

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Representative Hagan

Cosponsors: Representatives Becker, Dean, Riedel, Vitale, Goodman, Green, Sheehy, Householder, Hughes, West, Anielski, Arndt, Brown, Craig, Cupp, Dever, Gavarone, Ginter, Holmes, Landis, Lang, Leland, Manning, Miller, Pelanda, Perales, Rezabek, Rogers, Romanchuk, Ryan, Schaffer, Schuring, Seitz, Stein, Thompson, Wiggam, Young

A BILL

То	amend sections 2131.12, 2131.13, 4519.55, and	1
	4519.60 of the Revised Code to allow persons to	2
	establish a joint ownership with right of	3
	survivorship with respect to an all-purpose	4
	vehicle or off-highway motorcycle and to allow	5
	owners of a motor vehicle, all-purpose vehicle,	6
	off-highway motorcycle, watercraft, or outboard	7
	motor who have joint ownership with right of	8
	survivorship to transfer title through a	9
	transfer-on-death designation.	10

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 2131.12, 2131.13, 4519.55, a	and 11
4519.60 of the Revised Code be amended to read as follows	: 12
Sec. 2131.12. (A) As used in this section:	13
(1) "Motor vehicle" has the same meaning as in section	on 14

4505.01 of the Revised Code.

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4505.01 of the Revised Code.	15
(2) "Joint ownership with right of survivorship" means a	16
form of ownership of a motor vehicle, <u>all-purpose vehicle, off-</u>	17
highway motorcycle, watercraft, or outboard motor that is	18
established pursuant to this section and pursuant to which the	19
entire interest in the motor vehicle, <u>all-purpose vehicle, off-</u>	20
highway motorcycle, watercraft, or outboard motor is held by two	21
persons for their joint lives and thereafter by the survivor of	22
them.	23
(3) "Watercraft" has the same meaning as in division (A)	24
of section 1548.01 of the Revised Code.	25
(4) "All-purpose vehicle" has the same meaning as in	26
section 4519.01 of the Revised Code.	27
(5) "Off-highway motorcycle" has the same meaning as in	28
section 4519.01 of the Revised Code.	
(B)(1) Any two persons may establish in accordance with	30
this section joint ownership with right of survivorship in a	31
motor vehicle or in , an all-purpose vehicle, an off-highway	32
motorcycle, a watercraft, or an outboard motor for which a	33
certificate of title is required under Chapter 1548. <u>, 4505., or</u>	34
4519. of the Revised Code.	35
(2) If two persons wish to establish joint ownership with	36
right of survivorship in a motor vehicle or in , an all-purpose	37
<u>vehicle, an off-highway motorcycle,</u> a watercraft <u>,</u> or <u>an o</u> utboard	38
motor that is required to be titled under Chapter 1548., 4505.,	39
or 4519. of the Revised Code, they may make a joint application	40
for a certificate of title under section <u>1548.07,</u> 4505.06 <u>,</u> or	41
1548.07 4519.55 of the Revised Code, as applicable.	42

(C) If two persons have established in a certificate of

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title joint ownership with right of survivorship in a motor 44 vehicle or, an all-purpose vehicle, an off-highway motorcycle, 45 a watercraft $\underline{}$ or $\underline{}$ outboard motor that is required to be titled 46 under Chapter 1548., 4505., or 4519. of the Revised Code, and if 47 one of those persons dies, the interest of the deceased person 48 in the motor vehicle, <u>all-purpose vehicle</u>, <u>off-highway</u> 49 motorcycle, watercraft, or outboard motor shall pass to the 50 survivor of them upon transfer of title to the motor vehicle-or-51 , all-purpose vehicle, off-highway motorcycle, watercraft, or 52 outboard motor in accordance with section 1548.11, 4505.10, or 53 1548.11 4519.60 of the Revised Code. The motor vehicle, all-54 purpose vehicle, off-highway motorcycle, watercraft, or outboard 55 motor shall not be considered an estate asset and shall not be 56 included and stated in the estate inventory. 57

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Sec. 2131.13. (A) As used in this section:

(1) "Designate or designation in beneficiary form" means 59 to designate, or the designation of, a motor vehicle, an all-60 purpose vehicle, an off-highway motorcycle, a watercraft, or an 61 outboard motor in a certificate of title that indicates the 62 present owner of the motor vehicle, <u>all-purpose vehicle</u>, <u>off-</u> 63 highway motorcycle, watercraft, or outboard motor and the 64 intention of the present owner with respect to the transfer of 65 ownership on the present owner's death by designating one or 66 more persons as the beneficiary or beneficiaries who will become 67 the owner or owners of the motor vehicle, all-purpose vehicle, 68 off-highway motorcycle, watercraft, or outboard motor upon the 69 death of the present owner. 70

(2) "Motor vehicle" has the same meaning as in section4505.01 of the Revised Code.72

(3) "Person" means an individual, a corporation, an 73

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organization, or other legal entity.	74
(4) "Transfer-on-death beneficiary or beneficiaries" means	75
a person or persons specified in a certificate of title of a	
motor vehicle, <u>all-purpose vehicle, off-highway motorcycle,</u>	
watercraft, or outboard motor who will become the owner or	78
owners of the motor vehicle, <u>all-purpose vehicle, off-highway</u>	79
motorcycle, watercraft, or outboard motor upon the death of the	80
present owner of the motor vehicle, <u>all-purpose vehicle, off-</u>	81
highway motorcycle, watercraft, or outboard motor.	82
(5) "Watercraft" has the same meaning as in section	83
1548.01 of the Revised Code.	84
(6) "Owner" includes the plural as well as the singular,	85
as specified in section 1.43 of the Revised Code.	86
(7) "Joint ownership with right of survivorship" has the	87
same meaning as in section 2131.12 of the Revised Code.	
(8) "All-purpose vehicle" has the same meaning as in	89
section 4519.01 of the Revised Code.	90
(9) "Off-highway motorcycle" has the same meaning as in	91
section 4519.01 of the Revised Code.	92
(B) (1) An individual whose certificate of title of a motor	93
vehicle, all-purpose vehicle, off-highway motorcycle,	94
watercraft, or outboard motor shows sole ownership by that	95
individual may make an application for a certificate of title	96
under section 1548.07-or-, 4505.06, or 4519.55 of the Revised	97
Code to designate that motor vehicle, <u>all-purpose vehicle, off-</u>	98
highway motorcycle, watercraft, or outboard motor in beneficiary	
form pursuant to this section.	100
(2) Individuals whose certificate of title of a motor	101

vehicle, all-purpose vehicle, off-highway motorcycle,	102
watercraft, or outboard motor shows joint ownership with right	103
of survivorship may jointly make an application for a	104
certificate of title under section 1548.07, 4505.06, or 4519.55	105
of the Revised Code to designate that motor vehicle, all-purpose	106
vehicle, off-highway motorcycle, watercraft, or outboard motor	107
in beneficiary form pursuant to this section.	108

(C) (1) A motor vehicle, <u>all-purpose vehicle, off-highway</u>
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<u>motorcycle, watercraft, or outboard motor is designated in</u>
beneficiary form if the certificate of title of the motor
vehicle, <u>all-purpose vehicle, off-highway motorcycle,</u>
watercraft, or outboard motor includes the name or names of the
transfer-on-death beneficiary or beneficiaries.

(2) The designation of a motor vehicle, <u>all-purpose</u>
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<u>vehicle, off-highway motorcycle, watercraft</u>, or outboard motor
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in beneficiary form is not required to be supported by
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consideration, and the certificate of title in which the
designation is made is not required to be delivered to the
transfer-on-death beneficiary or beneficiaries in order for the
designation in beneficiary form to be effective.

(D) The designation of a motor vehicle, all-purpose 122 vehicle, off-highway motorcycle, watercraft, or outboard motor 123 in beneficiary form may be shown in the certificate of title by 124 the words "transfer-on-death" or the abbreviation "TOD" after 125 the name of the owner of a motor vehicle, <u>all-purpose vehicle</u>, 126 off-highway motorcycle, watercraft, or outboard motor and before 127 the name or names of the transfer-on-death beneficiary or 128 beneficiaries. 129

(E) The designation of a transfer-on-death beneficiary orbeneficiaries on a certificate of title has no effect on the131

ownership of a motor vehicle, <u>all-purpose vehicle</u>, <u>off-highway</u> 132 motorcycle, watercraft, or outboard motor until the death of the 133 owner of the motor vehicle, <u>all-purpose vehicle</u>, off-highway 134 motorcycle, watercraft, or outboard motor. The owner of a motor 135 vehicle, <u>all-purpose vehicle</u>, <u>off-highway motorcycle</u>, 136 137 watercraft, or outboard motor may cancel or change the designation of a transfer-on-death beneficiary or beneficiaries 138 on a certificate of title at any time without the consent of the 139 transfer-on-death beneficiary or beneficiaries by making an 140 application for a certificate of title under section 1548.07-or-141 <u>, 4505.06</u>, or 4519.55 of the Revised Code. 142

(F)(1) Upon the death of the owner of a motor vehicle, 143 all-purpose vehicle, off-highway motorcycle, watercraft, or 144 outboard motor designated in beneficiary form, the ownership of 145 the motor vehicle, <u>all-purpose vehicle</u>, <u>off-highway motorcycle</u>, 146 watercraft, or outboard motor shall pass to the transfer-on-147 death beneficiary or beneficiaries who survive the owner upon 148 transfer of title to the motor vehicle, all-purpose vehicle, 149 off-highway motorcycle, watercraft, or outboard motor in 150 accordance with section 1548.11-or, 4505.10, or 4519.60 of the 151 Revised Code. The transfer-on-death beneficiary or beneficiaries 152 who survive the owner may apply for a certificate of title to 153 the motor vehicle, all-purpose vehicle, off-highway motorcycle, 154 watercraft, or outboard motor upon submitting proof of the death 155 of the owner of the motor vehicle, <u>all-purpose vehicle</u>, off-156 highway motorcycle, watercraft, or outboard motor. 157

(2) If no transfer-on-death beneficiary or beneficiaries
survive the owner of a motor vehicle, <u>all-purpose vehicle, off-</u>
<u>highway motorcycle,</u> watercraft, or outboard motor, the motor
vehicle, <u>all-purpose vehicle, off-highway motorcycle,</u>
watercraft, or outboard motor shall be included in the probate

estate of the deceased owner.

(G) (1) Any transfer of a motor vehicle, <u>all-purpose</u>
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<u>vehicle, off-highway motorcycle, watercraft</u>, or outboard motor
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to a transfer-on-death beneficiary or beneficiaries that results
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from a designation of the motor vehicle, <u>all-purpose vehicle</u>,
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<u>off-highway motorcycle</u>, watercraft, or outboard motor in
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beneficiary form is not testamentary.

(2) This section does not limit the rights of any creditor
of the owner of a motor vehicle, <u>all-purpose vehicle, off-</u>
<u>highway motorcycle, watercraft, or outboard motor against any</u>
transfer-on-death beneficiary or beneficiaries or other
transferees of the motor vehicle, <u>all-purpose vehicle, off-</u>
<u>highway motorcycle, watercraft, or outboard motor under other</u>
laws of this state.

(H) (1) This section shall be known and may be cited as the 177
"Transfer-on-Death of Motor Vehicle, <u>All-Purpose Vehicle, Off-</u>178
<u>Highway Motorcycle,</u> Watercraft, or Outboard Motor Statute." 179

(2) Divisions (A) to (H) of this section shall be180liberally construed and applied to promote their underlying181purposes and policy.182

(3) Unless displaced by particular provisions of divisions
(A) to (H) of this section, the principles of law and equity
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supplement the provisions of those divisions.
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Sec. 4519.55. Application for a certificate of title for 186 an off-highway motorcycle or all-purpose vehicle shall be made 187 upon a form prescribed by the registrar of motor vehicles and 188 shall be sworn to before a notary public or other officer 189 empowered to administer oaths. The application shall be filed 190 with the clerk of any court of common pleas. An application for 191

a certificate of title may be filed electronically by any	192
electronic means approved by the registrar in any county with	193
the clerk of the court of common pleas of that county.	194

If an application for a certificate of title is filed 195 electronically by an electronic dealer on behalf of the 196 purchaser of an off-highway motorcycle or all-purpose vehicle, 197 the clerk shall retain the completed electronic record to which 198 the dealer converted the certificate of title application and 199 other required documents. The registrar, after consultation with 200 the attorney general, shall adopt rules that govern the location 201 at which, and the manner in which, are stored the actual 202 application and all other documents relating to the sale of an 203 off-highway motorcycle or all-purpose vehicle when an electronic 204 dealer files the application for a certificate of title 205 electronically on behalf of the purchaser. 206

The application shall be accompanied by the fee prescribed 207 in section 4519.59 of the Revised Code. The fee shall be 208 retained by the clerk who issues the certificate of title and 209 shall be distributed in accordance with that section. If a clerk 210 of a court of common pleas, other than the clerk of the court of 211 common pleas of an applicant's county of residence, issues a 212 certificate of title to the applicant, the clerk shall transmit 213 data related to the transaction to the automated title 214 processing system. 215

If a certificate of title previously has been issued for216an off-highway motorcycle or all-purpose vehicle, the217application also shall be accompanied by the certificate of218title duly assigned, unless otherwise provided in this chapter.219If a certificate of title previously has not been issued for the220off-highway motorcycle or all-purpose vehicle, the application,221

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unless otherwise provided in this chapter, shall be accompanied 222 by a manufacturer's or importer's certificate; by a sworn 223 statement of ownership; or by a certificate of title, bill of 224 sale, or other evidence of ownership required by law of another 225 state from which the off-highway motorcycle or all-purpose 226 vehicle was brought into this state. The registrar, in 227 accordance with Chapter 119. of the Revised Code, shall 228 prescribe the types of additional documentation sufficient to 229 establish proof of ownership, including, but not limited to, 230 receipts from the purchase of parts or components, photographs, 231 and affidavits of other persons. 232

If the application is made by two persons regarding an 233 off-highway motorcycle or an all-purpose vehicle in which they 234 wish to establish joint ownership with right of survivorship, 235 they may do so as provided in section 2131.12 of the Revised 236 Code. If the applicant requests a designation of the off-highway 237 motorcycle or all-purpose vehicle in beneficiary form so that 238 upon the death of the owner of the off-highway motorcycle or 239 all-purpose vehicle, ownership of the off-highway motorcycle or 240 all-purpose vehicle will pass to a designated transfer-on-death 241 beneficiary or beneficiaries, the applicant may do so as 242 provided in section 2131.13 of the Revised Code. A person who 243 establishes ownership of an off-highway motorcycle or an all-244 purpose vehicle that is transferable on death in accordance with 245 section 2131.13 of the Revised Code may terminate that type of 246 ownership or change the designation of the transfer-on-death 247 beneficiary or beneficiaries by applying for a certificate of 248 title pursuant to this section. 249

For purposes of the transfer of a certificate of title, if250the clerk is satisfied that a secured party has duly discharged251a lien notation but has not canceled the lien notation with a252

clerk, the clerk may cancel the lien notation on the automated 253 title processing system and notify the clerk of the county of 254 origin. 255 In the case of the sale of an off-highway motorcycle or 256 all-purpose vehicle by a dealer to a general purchaser or user, 257 the certificate of title shall be obtained in the name of the 258 purchaser by the dealer upon application signed by the 259 purchaser. In all other cases, the certificate shall be obtained 260 by the purchaser. In all cases of transfer of an off-highway 261 motorcycle or all-purpose vehicle, the application for 262 263 certificate of title shall be filed within thirty days after the later of the date of purchase or assignment of ownership of the 264 off-highway motorcycle or all-purpose vehicle. If the 265 application for certificate of title is not filed within thirty 266 days after the later of the date of purchase or assignment of 267 ownership of the off-highway motorcycle or all-purpose vehicle, 268 the clerk shall charge a late filing fee of five dollars in 269 addition to the fee prescribed by section 4519.59 of the Revised 270 Code. The clerk shall retain the entire amount of each late 271 filing fee. 272

Except in the case of an off-highway motorcycle or allpurpose vehicle purchased prior to July 1, 1999, the clerk shall 274 refuse to accept an application for certificate of title unless 275 the applicant either tenders with the application payment of all 276 taxes levied by or pursuant to Chapter 5739. or 5741. of the 277 Revised Code based on the purchaser's county of residence, or 278 submits either of the following: 279

(A) A receipt issued by the tax commissioner or a clerk of 280courts showing payment of the tax; 281

(B) An exemption certificate, in any form prescribed by

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the tax commissioner, that specifies why the purchase is not283subject to the tax imposed by Chapter 5739. or 5741. of the284Revised Code.285

Payment of the tax shall be made in accordance with 286 division (E) of section 4505.06 of the Revised Code and any 287 rules issued by the tax commissioner. When a dealer submits 288 payment of the tax to the clerk, the dealer shall retain any 289 discount to which the dealer is entitled under section 5739.12 290 of the Revised Code. The clerk shall issue a receipt in the form 291 292 prescribed by the tax commissioner to any applicant who tenders 293 payment of the tax with the application for a certificate of title. If the application for a certificate of title is for an 294 off-highway motorcycle or all-purpose vehicle purchased prior to 295 July 1, 1999, the clerk shall accept the application without 296 payment of the taxes levied by or pursuant to Chapter 5739. or 297 5741. of the Revised Code or presentation of either of the items 298 listed in division (A) or (B) of this section. 299

For receiving and disbursing such taxes paid to the clerk 300 by a resident of the clerk's county, the clerk may retain a 301 poundage fee of one and one-hundredth per cent of the taxes 302 collected, which shall be paid into the certificate of title 303 administration fund created by section 325.33 of the Revised 304 Code. The clerk shall not retain a poundage fee from payments of 305 taxes by persons who do not reside in the clerk's county. 306

A clerk, however, may retain from the taxes paid to the 307 clerk an amount equal to the poundage fees associated with 308 certificates of title issued by other clerks of courts of common 309 pleas to applicants who reside in the first clerk's county. The 310 registrar, in consultation with the tax commissioner and the 311 clerks of the courts of common pleas, shall develop a report 312

from the automated title processing system that informs each 313 clerk of the amount of the poundage fees that the clerk is 314 permitted to retain from those taxes because of certificates of 315 title issued by the clerks of other counties to applicants who 316 reside in the first clerk's county. 317

In the case of casual sales of off-highway motorcycles or 318 all-purpose vehicles that are subject to the tax imposed by 319 Chapter 5739. or 5741. of the Revised Code, the purchase price 320 for the purpose of determining the tax shall be the purchase 321 322 price on an affidavit executed and filed with the clerk by the seller on a form to be prescribed by the registrar, which shall 323 be prima-facie evidence of the price for the determination of 324 325 the tax.

In addition to the information required by section 4519.57 326 of the Revised Code, each certificate of title shall contain in 327 bold lettering the following notification and statements: 328 "WARNING TO TRANSFEROR AND TRANSFEREE (SELLER AND BUYER): You 329 are required by law to state the true selling price. A false 330 statement is in violation of section 2921.13 of the Revised Code 331 and is punishable by six months imprisonment or a fine of up to 332 one thousand dollars, or both. All transfers are audited by the 333 department of taxation. The seller and buyer must provide any 334 information requested by the department of taxation. The buyer 335 may be assessed any additional tax found to be due." 336

The clerk shall forward all payments of taxes, less337poundage fees, to the treasurer of state in a manner to be338prescribed by the tax commissioner and shall furnish information339to the commissioner as the commissioner may require.340

Every clerk shall have the capability to transact by341electronic means all procedures and transactions relating to the342

issuance of certificates of title for off-highway motorcycles 343 and all-purpose vehicles that are described in the Revised Code 344 as being accomplished by electronic means. 345

Sec. 4519.60. (A) In the event of the transfer of 346 ownership of an off-highway motorcycle or all-purpose vehicle by 347 operation of law, as upon inheritance, devise, bequest, order in 348 bankruptcy, insolvency, replevin, or execution of sale, or when 349 repossession is had upon default in performance of the terms of 350 a security agreement as provided in Chapter 1309. of the Revised 351 352 Code, a clerk of a court of common pleas, upon the surrender of 353 the prior certificate of title or the manufacturer's or importer's certificate, or, when that is not possible, upon 354 presentation to the clerk of satisfactory proof of ownership and 355 rights of possession to the off-highway motorcycle or all-356 purpose vehicle, and upon payment of the fee prescribed in 357 section 4519.59 of the Revised Code and presentation of an 358 application for certificate of title, may issue to the applicant 359 a certificate of title to the off-highway motorcycle or all-360 purpose vehicle. Only an affidavit by the person or agent of the 361 person to whom possession of the off-highway motorcycle or all-362 purpose vehicle has passed, setting forth the facts entitling 363 the person to the possession and ownership, together with a copy 364 of the journal entry, court order, or instrument upon which the 365 claim of possession and ownership is founded, is satisfactory 366 proof of ownership and right of possession. If the applicant 367 cannot produce that proof of ownership, the applicant may apply 368 directly to the registrar of motor vehicles and submit the 369 evidence the applicant has, and the registrar, upon finding the 370 evidence sufficient, may authorize the clerk to issue a 371 certificate of title. If, from the records in the office of the 372 clerk, there appears to be any lien on the off-highway 373

motorcycle or all-purpose vehicle, the certificate of title	374
shall contain a statement of the lien unless the application is	
accompanied by proper evidence of its extinction.	
(B) Upon the death of one of the persons who have	377
established joint ownership with right of survivorship under_	378
section 2131.12 of the Revised Code in an off-highway motorcycle	379
or all-purpose vehicle and the presentation to the clerk of the	380
title and the certificate of death of the deceased person, the	381
clerk shall enter into the records the transfer of the off-	382
highway motorcycle or all-purpose vehicle to the surviving	383
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person, and the title to the off-highway motorcycle or all-	
purpose vehicle immediately passes to the surviving person. The	385
transfer does not affect any liens on the off-highway motorcycle	386
or all-purpose vehicle.	387
(C) Upon the death of an owner of an off-highway	388
motorcycle or all-purpose vehicle designated in beneficiary form	389
under section 2131.13 of the Revised Code, upon application of	390
the transfer-on-death beneficiary or beneficiaries designated	391
pursuant to that section, and upon presentation to the clerk of	392
the certificate of title and the certificate of death of the	393
deceased owner, the clerk shall transfer the off-highway	394
motorcycle or all-purpose vehicle and issue a certificate of	395
title to the transfer-on-death beneficiary or beneficiaries. The	396
transfer does not affect any liens upon any off-highway	
motorcycle or all-purpose vehicle so transferred.	398

 Section 2. That existing sections 2131.12, 2131.13,
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 4519.55, and 4519.60 of the Revised Code are hereby repealed.
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