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Motor Vehicle Division Informational Memo # 25-20
Ch. 400 Vehicle Registration and Certificate of Title – EO10 Updates

DATE: July 21, 2025
FROM: Motor Vehicle Division
TO: All Motor Vehicle Division staff, County Treasurers and County Treasurer Staff

EFFECTIVE: JUNE 18, 2025

SUBJECT
This informational memo explains updates to administrative rule chapter 761—400, Vehicle Registration and Certificate of Title.

SUMMARY
This chapter was recently revised pursuant to Executive Order 10 (EO10), which required all state agencies to conduct comprehensive review of all existing administrative rules. The goal of the review was to reduce regulatory burdens and restrictive terms, and to remove obsolete, outdated, inconsistent, redundant or unnecessary regulations, including instances where rule language is duplicative of statutory language.

EO10 required the chapter to be rescinded and then reissued as new.

There were many technical changes made to the chapter to remove rules that were duplicative of statute and to reorganize and streamline the content that were too numerous to detail in this memo. Below is a summary of rules that had substantive or process changes as part of the EO10 review:

Rule 400.1 containing definitions was changed as follows:

- Clarified that:
  - The definition of "half-year fee" means the fee under Iowa Code section 321.134(2) for a heavy-weighted truck.
  - The definition of "model year" means the year certified by the manufacturer. The definition used to say model year could include the year of original manufacture, but since most vehicles are manufactured several months in advance of the model year, we did not want there to be confusion about which model year was applicable.
  - Registration card means registration receipt, as that is the terminology most commonly used and what is printed on the registration product.

Rule 400.2 addressing general provisions related to vehicle registrations, titles, receipts, stickers and plates was amended to specify in subrule 400.2(9) that the plates mailing fee is $5.00, in alignment with the authority in Iowa Code section 321.105.

Rule 400.3 outlines the application process for a certificate of title or registration for a vehicle.

- Subrule 400.3(1) was amended to do the following:
    - Paragraph "g" provides that the definition of signature found in Iowa Code 9B.2(15) applies to an owner's signature.
    - Paragraph "h" clarifies the dealer certification applies to all vehicles sold by a dealer, not just new vehicles, if the dealer collects the fee and forwards the application for registration and title.
    - Paragraph "j" provides the lessor's leasing number is to be included on the application if the lessor is required to have a leasing number. Otherwise, the FEIN may be provided on the application for the leased vehicle. It is also acceptable for the applicant to provide both the leasing number and the FEIN.
    - Paragraph "k" allows the Department to use a separate form from the application to assess whether a vehicle is driverless-capable. This will give us the flexibility to not have to require this question be a "yes" or "no" on the application for every vehicle.
- Subrule 400.3(3) clarifies the affidavit of correction must be signed by the parties that made the error needing to be corrected, rather than requiring all parties to sign.
- Subrule 400.3(4) was significantly pared down as the majority of the content of the rule belongs in the contract with the provider of electronic registration and titling services.
    - Paragraph "a" was amended to clarify that end users submitting an electronic application must retain all documents for six months from the date the dealer submits the documents to the county through ERT and make the documents available to the department for inspection upon request. The paragraph no longer limits use of the electronic application process to only businesses with a principal place of business in Iowa.

Rule 400.7 outlines the information that appears on the title or registration document. Changes to the rule include removing the requirement for the following items. However, "style" and "number of cylinders" may appear on the title and/or registration until system modernization is implemented.

- The "Name and address of the last titled owner" since that information is no longer required due to passage of 2024 Iowa Acts, House File 2185.
- The "Style" since the range of possible entries for this field outweighs the value for the title holder. The "Style" field will remain in ARTS but will not appear on the title or registration document.
- The "Number of engine cylinders" although this entry must remain on the application until a further legislative change is obtained.

Rule 400.8 addresses how a secured party cancels a security interest on a title.

- Subrule 400.8(1) adds in a third option for cancelling a security interest that was adopted when Iowa Code section 321.50 was amended during the 2023 legislative session.
- Subrule 400.8(2) was amended to no longer require the cancellation of security interest form be sent only to the treasurer where the title was issued since any treasurer can process the request per 2024 Iowa Acts, House File 674 and adopt current practice that allows the

treasurer to accept photocopies or facsimiles of the security interest cancellation as well make it clear that a separate security interest cancellation is required for each vehicle.

Rule 400.9 contains information regarding the assignment of a security interest and was rewritten to conform with 2024 Iowa Acts, House File 674 which no longer requires the cancellation of security interest form only be sent to the treasurer where the title was issued or will be issued since any treasurer can process the request.

Rule 400.10 provides guidance on when a sheriff's levy, restitution lien, and forfeiture lien are noted as security interests. The rule was rewritten to conform with 2024 Iowa Acts, House File 674 which no longer requires the cancellation of security interest form only be sent to the treasurer where the title was issued since any treasurer can process the request.

Rule 400.11 addresses the replacement process for a certificate of title. The amendments clarify the process when all the owners of a vehicle are living versus when the vehicle owners are all deceased. The rule requires that all living owners of the vehicle sign the application for replacement title unless the application is from a lienholder, in which case, Iowa Code section 321.42 code allows the lienholder to submit the replacement title application independently. When all owners of the vehicle are deceased, the replacement title application is submitted by the deceased owner(s) executor or administrator.

Rule 400.12 outlines the bonded title process. Subrule 400.12(1) was amended to conform with the changes to the bonded title process made in 2024 Iowa Acts, House File 2316 and clarify the existing process for when a vehicle inspection is required.

Rule 400.13 and was renamed to more clearly identify its intent to provide guidance on the authorized signatories for a transfer of ownership of a motor vehicle. Additionally:

- Subrule 400.13(1) was amended to delete paragraph "b" which conforms to the current practice of not allowing "doing business as" or "DBA" names on the title.
- Subrule 400.13(2) clarifies that existing provisions of the rule also apply when a vehicle that does not require a title has two or three owners and there is a transfer of ownership.
- Subrules 400.13(5) and 400.13(6) align with the current practice of allowing a notarized affidavit of death intestate in lieu of an affidavit signed by the clerk of court and accepting true copies of forms for a power of attorney. The word "living" was also added before owner(s) in subrule 400.13(6) to clarify that the owner must be living in order for the POA to still apply and the requirement to attach the POA to the document to which it applies was removed from the rule due to being impractical.

Rule 400.15 rule governs the title application or original registration process for a specially constructed, reconstructed, street rod or replica motor vehicle. The rule content was revised to conform with 2024 Iowa Acts, House File 674 which allows any treasurer to process the request and clarify the existing process for when a vehicle inspection is required.

Rule 400.21 and was renamed to more clearly identify its intent to address the annual vehicle registration fee, not to be confused with the fee for new registration or registration for just new vehicles.

Rule 400.23 outlining the process for making voluntary contributions to the anatomical gift fund was amended to align the language with Iowa Code section 321.44A stating the voluntary contribution must be a minimum of one dollar or more and no longer requiring whole dollar amounts.

Rule 400.24 contains information on vehicles held for resale or trade by dealers.

- Subrule 400.24(2) was amended to clarify a vehicle that is held for resale by the dealer and registered in Iowa at the time of the sale or trade to a dealer may be held by the dealer without needing to obtain a new certificate of title or registration if the dealer holds a properly assigned MCO for the vehicle or holds properly assigned title from a state that permits its titles to be reassigned by Iowa dealers and vacant space for the reassignment remains on the title.
- Subrule 400.24(3) clarifies when a dealer must obtain a new certificate of title but does not have to pay registration fees for a vehicle. We also added reference to Iowa Code section 321.20(1) as amended by 2024 Iowa Acts, HF 674 to make it clear that dealer titles are eligible for the new any county title issuance provisions.
- Subrule 400.24(4) was amended to further specify the conditions under which a dealer must obtain a new certificate of title and how required registration fees are determined.
    - Although paragraph (b) was revised to allow the registration fee for a vehicle placed in storage by the previous owner to be computed from the month it is removed from storage, ARTS is programmed to require payment of the full year's registration amount in alignment with Iowa Code section 321.134. For this reason, current procedures must continue to be followed, and the full year registration amount paid. The rule will be revised to reflect the actual procedures for storage vehicles the next time Chapter 400 is under review.
    - If the vehicle has been registered in a foreign jurisdiction that does not permit its titles to be reassigned by Iowa dealers and the application for a new title is submitted more than 30 days after the vehicle enters Iowa, the registration fee is prorated for the remaining unexpired months of the dealer's registration year.
    - If the vehicle has been registered in a foreign jurisdiction, all reassignment spaces on the title are full, and the application for a new title is submitted more than 30 days after the vehicle enters Iowa, the registration fee is prorated for the remaining unexpired months of the dealer's registration year.

Rule 400.31 governing conversion of manufactured or mobile homes to or from real property was changed clarify in subrule 400.31(1)"d" that the treasurer is only required to cancel and destroy the certificate of title if it is available. The absence of the title should not stop the county from cancelling the title as converted to real estate.

Rule 400.33 covering registration fees for vehicles in storage was revised to allow a (non-military) customer taking a vehicle out of storage to choose to pay only for the remaining months left in the customer's registration year. However, ARTS is programmed to require a (non-military) customer taking a vehicle out of storage to pay the full year's registration amount in alignment with Iowa Code section 321.134. For this

reason, you must continue to follow current procedures and require a (non-military) customer taking a vehicle out of storage to pay the full year registration amount. The rule will be revised to reflect the actual procedures for storage vehicles the next time Chapter 400 is under review.

Rule 400.34 outlining penalties on registration fees was changed to specify that penalty for a delinquent fee continues to accrue until the flat-penalty provision of Iowa Code section 321.134(4) takes effect and to insert the specific form number for the statement of nonuse.

Rule 400.36 regarding termination of a registration suspension was changed to clarify that issuance of new plates are allowed, but not required once a registration suspension under Iowa Code section 321.101 terminates. This change accounts for situations where the person may need new plates, such as when law enforcement seizes the plates roadside. Otherwise, when registration suspended, the customer may be able to keep the same plates until the registration suspension ends.

Rule 400.38 addressing refund of registration fees was revised to allow a registration refund without submitting the license plates with the claim for refund if the plates have been surrendered to a licensed motor vehicle dealer in Iowa who has submitted the application for title and registration of the new vehicle.

Rule 400.39 outlines the department's process for issuing assigned identification numbers for vehicles, component parts, fence-line feeders, grain carts, or tank wagons. Subrule 400.39(2) was amended to clarify the existing process for when a vehicle inspection is required.

Rule 400.40 providing guidance on odometer statements was changed to clarify that an odometer statement is required unless the vehicle is exempt from having to provide one.

Rule 400.41 addressing registration stickers was revised to clarify that a persons with disabilities parking sticker must be placed on the lower left corner of the flying our colors license plate and above the validation sticker and that a special truck sticker applies to special trucks for farm use.

Rule 400.44 addressing the hearings process was changed to clarify that a customer who is aggrieved by a decision of the department has a full 20 days to appeal.

Rule 400.46 covering registration documents lost or damaged via the U.S. mail was amended to clarify that an application for reissuance of a lost or damaged document must occur between 20 and 60 days of the original issuance.

Rule 400.47 regarding vehicle registration fee credits was revised to remove an obsolete prohibition against providing credits for unexpired electric vehicle registration fees since ARTS is already giving this credit.

Rule 400.48 addressing reassignment of registration plates was changed to clarify that a registration plate may be assigned and credit allowed if a vehicle's ownership is transferred from a living trust to an individual owner who created that trust.

Rule 400.53 governing electronic lien and title applications was amended to remove the requirement for person entitled to the vehicle to write the words "heir at law" on the application.

The revised rule chapter is effective June 18, 2025.

LINK TO ADMINISTRATIVE RULES

761 IOWA ADMINISTRATIVE CODE 400 – Adopted and Filed

CURRENT

Chapter 400 provides the process allowing vehicle owners to register and title their vehicle in Iowa, which is required for a vehicle to be legally operated on Iowa roadways. The rules provide clarity to county treasurers, law enforcement, dealers, and the public on the application and issuance process for vehicle registration and title, as well as outlining any exemptions or specific requirements to title and register a vehicle in Iowa.

NEW

As of June 18, 2025, the changes listed in the summary section above officially take effect.

BUSINESS IMPACT

The changes outlined in the summary section above will have a business impact. In addition to this memo, the County Treasurer's Manual will be updated to reflect the updates to Admin Rule 761.400. All other changes to the chapter should not have a significant business impact as they were technical in nature or removing rule provisions that were duplicative of statute.