



Tip of the Month January 2019

Car Title Transfers for Private Sales

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Low-income individuals routinely sell used motor vehicles to other individuals instead of trading vehicles in at a licensed car dealership. Sellers may find themselves with a host of costly problems down the road if the buyer of the car fails to properly transfer the title to the vehicle at or after the time of sale.

Many sellers of used vehicles **wrongly assume that reporting the sale of a motor vehicle online or mailing in a form to the Minnesota Department of Public Safety's Driver and Vehicle Services Division is the same thing as legally transferring the title.** It is not.

Failure to transfer title from the seller's name to the buyer's name can result in the seller receiving parking and traffic citations which the new buyer may incur. The seller may also find themselves on the receiving end of a Summons and Complaint if the sold vehicle is involved in an accident, especially if the new buyer has not purchased insurance on the vehicle. Entry of a judgment against the owner of an uninsured automobile related to negligent use of the vehicle can even result in a judgment creditor requesting that a judgment debtor's driver's license be suspended for failure to satisfy a judgment.

Aside for the potential criminal and civil liability that the buyer may face as an unforeseen result of failing to transfer title, the buyer will doubtlessly suffer a considerable amount of stress when finally informed that he or she is on the hook for costs incurred and injuries inflicted by the buyer. Needless to say, this situation is best avoided.

[Click here to read and download the "HOW TO SELL A USED CAR TO A PERSON" fact sheet](#), which provides basic information that both clients and volunteer attorneys at VLN clinics may find useful when discussing how to safely sell a vehicle to prevent title transfer problems in the future.

[Click here to read and download the "WHAT YOU CAN DO IF YOU SOLD A CAR BUT THE BUYER DIDN'T TRANSFER THE TITLE" fact sheet](#), which provides basic information that volunteer attorneys may find helpful at VLN clinics when the time comes to give the seller of a car who failed to properly transfer title the bad news: that there is no quick fix to what are often myriad problems.