

**First Regular Session  
Seventy-third General Assembly  
STATE OF COLORADO**

**INTRODUCED**

LLS NO. 21-0509.01 Jery Payne x2157

**HOUSE BILL 21-1024**

---

**HOUSE SPONSORSHIP**

**Snyder and Van Winkle,**

**SENATE SPONSORSHIP**

**(None),**

---

**House Committees**

Transportation & Local Government

**Senate Committees**

---

**A BILL FOR AN ACT**

101 **CONCERNING REQUIREMENTS RELATING TO THE TRANSFER OF AN**  
102 **OFF-HIGHWAY VEHICLE.**

---

**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)*

Current law requires an off-highway vehicle to have a certificate of title in order to be transferred unless:

- The off-highway vehicle was first transferred before July 1, 2014, and not subsequently transferred to an off-highway vehicle dealer; or
- The off-highway vehicle was used exclusively for

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
Capital letters or bold & italic numbers indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.

agricultural purposes on private land.

**Section 2** of the bill requires all off-highway vehicle transfers on or after July 1, 2022, to have a certificate of title, but the agricultural exemption is not changed.

**Section 1** exempts private transfers of off-highway vehicles from sales tax if the transfer occurred on or after July 1, 2014, and before July 1, 2022.

Current law authorizes motor vehicle dealers, salvage pools, and insurers to electronically access the department of revenue's ownership and lienholder records to verify motor vehicle ownership and lienholding information to prevent fraud. **Section 3** authorizes off-highway vehicle dealers to access this system to verify the same information on off-highway vehicles for the same reasons.

Notwithstanding the requirement that an off-highway vehicle have a title to be purchased by a dealer, current law authorizes a dealer to purchase an off-highway vehicle that was initially sold before July 1, 2014, and was never titled. The dealer must obtain an affidavit from the owner and then use the affidavit to obtain a title. **Section 4** extends this authorization and procedure to off-highway vehicles:

- Privately transferred on or after July 1, 2014, and before July 1, 2022; or
- Used exclusively for agricultural purposes on private land.

---

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 39-26-113, **amend**  
3 (8) as follows:

4 **39-26-113. Collection of sales tax - motor vehicles -**  
5 **off-highway vehicles - exemption - process for motor vehicles sold at**  
6 **auction - exception - definition.** (8) (a) Subsections (1) and (2) of this  
7 section do not apply to:

8 (I) The ~~sale or~~ transfer of off-highway vehicles before July 1,  
9 2014; OR

10 (II) THE TRANSFER OF AN OFF-HIGHWAY VEHICLE ON OR AFTER  
11 JULY 1, 2014, AND BEFORE JULY 1, 2022, BETWEEN INDIVIDUALS WHEN  
12 NEITHER OF THE INDIVIDUALS IS A MOTOR VEHICLE DEALER OR AN  
13 OFF-HIGHWAY VEHICLE DEALER.

1           (b) ~~For an off-highway vehicle that was first purchased or~~  
2 ~~transferred before July 1, 2014, and is being issued its first certificate of~~  
3 ~~title for the first time after this date,~~ The department shall not verify that  
4 the person paid any tax due on: ~~the vehicle.~~

5           (I) AN OFF-HIGHWAY VEHICLE THAT WAS FIRST TRANSFERRED  
6 BEFORE JULY 1, 2014, AND IS BEING ISSUED ITS FIRST CERTIFICATE OF  
7 TITLE ON OR AFTER THIS DATE; OR

8           (II) AN OFF-HIGHWAY VEHICLE THAT WAS FIRST TRANSFERRED ON  
9 OR AFTER JULY 1, 2014, AND BEFORE JULY 1, 2022, BETWEEN INDIVIDUALS  
10 WHEN NEITHER OF THE INDIVIDUALS IS A MOTOR VEHICLE DEALER OR AN  
11 OFF-HIGHWAY VEHICLE DEALER.

12           **SECTION 2.** In Colorado Revised Statutes, 42-6-103, **amend**  
13 (2)(a) as follows:

14           **42-6-103. Application.** (2) This part 1 does not apply to an  
15 off-highway vehicle that:

16           (a) Was first ~~sold or~~ transferred before July 1, 2014, until:

17           (I) The off-highway vehicle is ~~sold or~~ transferred to a powersports  
18 vehicle dealer after July 1, 2014; or

19           (II) THE OFF-HIGHWAY VEHICLE IS TRANSFERRED TO ANY PERSON  
20 ON OR AFTER JULY 1, 2022; OR

21           **SECTION 3.** In Colorado Revised Statutes, 42-6-110, **amend**  
22 (1.7)(a), (1.7)(b), and (1.7)(c) as follows:

23           **42-6-110. Certificate of title - transfer - department records -**  
24 **rules.** (1.7) (a) The department shall allow an insurer, as defined in  
25 section 10-1-102 and that is regulated under title 10, an agent of the  
26 insurer, a salvage pool that is licensed as a used motor vehicle dealer, a  
27 motor vehicle dealer licensed under article 20 of title 44, a used motor

1 vehicle dealer licensed under article 20 of title 44, AN OFF-HIGHWAY  
2 VEHICLE DEALER LICENSED UNDER ARTICLE 20 OF TITLE 44, or any person  
3 approved by the department to use the electronic systems created in  
4 section 42-4-2103 (3)(c)(III) to access owner and lienholder information  
5 of a motor OR OFF-HIGHWAY vehicle in the department's records if:

6 (I) The motor OR OFF-HIGHWAY vehicle is the subject of an  
7 insurance claim being processed by the insurer;

8 (II) The motor OR OFF-HIGHWAY vehicle is possessed by a salvage  
9 pool;

10 (III) The access is related to a motor OR OFF-HIGHWAY vehicle  
11 transaction with a motor vehicle dealer, ~~or~~ A used motor vehicle dealer,  
12 OR AN OFF-HIGHWAY VEHICLE DEALER; or

13 (IV) The access is authorized by section 24-72-204 (7).

14 (b) The department shall ensure that the information available to  
15 the insurer, the insurer's agent, the salvage pool, a motor vehicle dealer,  
16 a used motor vehicle dealer, AN OFF-HIGHWAY VEHICLE DEALER, or a  
17 person approved by the department is correct and is limited to the  
18 information needed to verify and contact the owner and lienholder of the  
19 motor vehicle.

20 (c) The department may charge the insurer, the insurer's agent, the  
21 salvage pool, a motor vehicle dealer, a used motor vehicle dealer, AN  
22 OFF-HIGHWAY VEHICLE DEALER, or a person approved by the department  
23 a fee in an amount not to exceed the lesser of five dollars or the direct and  
24 indirect costs of implementing this subsection (1.7). The department shall  
25 deposit the fee in the special purpose account created in section 42-1-211.

26 **SECTION 4.** In Colorado Revised Statutes, 42-6-148, **amend**  
27 (1)(a), (1)(b) introductory portion, and (1)(d) as follows:

1           **42-6-148. Off-highway vehicles - sales.** (1) (a) Unless the owner  
2 has obtained a certificate of title for an off-highway vehicle under this  
3 ~~article~~ ARTICLE 6, a person shall not sell the off-highway vehicle and a  
4 ~~vehicle dealer~~ PERSON shall not purchase the off-highway vehicle; except  
5 that ~~the~~ A MOTOR VEHICLE DEALER OR AN OFF-HIGHWAY VEHICLE dealer  
6 may purchase an off-highway vehicle without a certificate of title if the  
7 vehicle has never been titled and was originally purchased in:

8           (I) (A) Colorado before July 1, 2014; or

9           (B) COLORADO BEFORE JULY 1, 2022, FROM AN INDIVIDUAL WHO  
10 IS NOT A MOTOR VEHICLE DEALER OR AN OFF-HIGHWAY VEHICLE DEALER;

11           (II) A foreign jurisdiction that does not or did not issue certificates  
12 of title to off-highway vehicles when purchased; OR

13           (III) COLORADO OR A FOREIGN JURISDICTION AND THE VEHICLE  
14 WAS USED EXCLUSIVELY FOR AGRICULTURAL PURPOSES ON PRIVATE LAND.

15           (b) If an off-highway vehicle DEALER OR A MOTOR VEHICLE dealer  
16 purchases an off-highway vehicle without a certificate of title, the dealer  
17 shall before finalizing the purchase require the seller to sign an affidavit  
18 that:

19           (d) To obtain a title for an off-highway vehicle that an  
20 off-highway vehicle dealer OR A MOTOR VEHICLE DEALER purchased  
21 without a certificate of title, the dealer must present to the department an  
22 affidavit as described in ~~paragraph (b) of this subsection (1)~~ SUBSECTION  
23 (1)(b) OF THIS SECTION, signed by the seller from whom the off-highway  
24 vehicle dealer OR MOTOR VEHICLE DEALER acquired the off-highway  
25 vehicle. THE AUTHORIZED AGENT SHALL ACCEPT AN AFFIDAVIT THAT WAS  
26 PROPERLY EXECUTED UNDER THIS SUBSECTION (1) UNLESS THE  
27 AUTHORIZED AGENT HAS REASON TO BELIEVE THE AFFIDAVIT CONTAINS A

1 MATERIAL MISSTATEMENT OR OMISSION.

2           **SECTION 5. Applicability.** This act applies to off-highway  
3 vehicle transfers on or after the effective date of this act.

4           **SECTION 6. Safety clause.** The general assembly hereby finds,  
5 determines, and declares that this act is necessary for the immediate  
6 preservation of the public peace, health, or safety.