

## Part 10

### Salvage Vehicles - Junk and Dismantled Vehicles

#### 41-1a-1001 Definitions.

As used in Sections 41-1a-1001 through 41-1a-1008:

- (1) "Certified vehicle inspector" means a person employed by the Motor Vehicle Enforcement Division as qualified through experience, training, or both to identify and analyze damage to vehicles with either unibody or conventional frames.
- (2) "Major component part" means:
  - (a) the front body component of a motor vehicle consisting of the structure forward of the firewall;
  - (b) the passenger body component of a motor vehicle including the firewall, roof, and extending to and including the rear-most seating;
  - (c) the rear body component of a motor vehicle consisting of the main cross member directly behind the rear-most seating excluding any auxiliary seating and structural body assembly rear of the cross members; and
  - (d) the frame of a motor vehicle consisting of the structural member that supports the auto body.
- (3)
  - (a) "Major damage" means damage to a major component part of the motor vehicle requiring 10 or more hours to repair or replace, as determined by a collision estimating guide recognized by the Motor Vehicle Enforcement Division.
  - (b) For purposes of Subsection (3)(a) repair or replacement hours do not include time spent on cosmetic repairs.
- (4) "Nonrepairable certificate" means a certificate of ownership issued for a nonrepairable vehicle.
- (5) "Nonrepairable vehicle" means a vehicle of a type otherwise subject to registration that:
  - (a) has no resale value except as a source of parts or scrap metal or that the owner irreversibly designates as a source of parts or scrap metal or for destruction;
  - (b)
    - (i) has little or no resale value other than its worth as a source of a vehicle identification number that could be used illegally; and
    - (ii)
      - (A) has been substantially stripped as a result of theft; or
      - (B) is missing all of the bolt-on sheet metal body panels, all of the doors and hatches, substantially all of the interior components, and substantially all of the grill and light assemblies; or
  - (c) is a substantially burned vehicle that:
    - (i) has burned to the extent that there are no more usable or repairable body or interior components, tires and wheels, or drive train components; or
    - (ii) the owner irreversibly designates for destruction or as having little or no resale value other than its worth as a source of scrap metal or as a source of a vehicle identification number that could be used illegally.
- (6) "Owner" means the person who has the legal right to possession of the vehicle.
- (7)
  - (a) "Salvage certificate" means a certificate of ownership issued for a salvage vehicle before a new certificate of title is issued for the vehicle.
  - (b) A salvage certificate is not valid for registration purposes.
- (8) "Salvage vehicle" means any vehicle:

- (a) damaged by collision, flood, or other occurrence to the extent that the cost of repairing the vehicle for safe operation exceeds its fair market value; or
- (b) that has been declared a salvage vehicle by an insurer or other state or jurisdiction, but is not precluded from further registration and titling.

Amended by Chapter 424, 2019 General Session

**41-1a-1004 Certificate of title -- Salvage vehicles -- Buyer notification of salvage or total loss vehicle.**

- (1) If the division is able to ascertain the fact, at the time application is made for initial registration or transfer of ownership of a salvage vehicle, the title shall be branded:
  - (a) rebuilt and restored to operation;
  - (b) in a flood and restored to operation; or
  - (c) not restored to operation.
- (2)
  - (a)
    - (i) Except as provided in Subsection (2)(b), before the sale of a vehicle for which a salvage certificate or branded title has been knowingly issued or knowingly declared a total loss by an insurance company, the seller shall provide the prospective purchaser with written notification that a salvage certificate or a branded title has been issued for the vehicle.
    - (ii) If the vehicle is a salvage vehicle or if the vehicle has been declared a total loss by an insurance company, the notification shall be as required in Section 41-1a-1005.3.
  - (b) The requirement to provide written notification under Subsection (2)(a) does not apply if:
    - (i) the prospective purchaser, motor vehicle auction, or seller is:
      - (A) a licensed motor vehicle dealer whose primary business is auctioning salvage motor vehicles to licensed salvage vehicle buyers; or
      - (B) an insurance company, if the sale of the vehicle is the result of a total loss settlement; or
    - (ii) the vehicle has been stolen, recovered, and declared a total loss by an insurance company but does not meet the definition of a salvage vehicle.
- (3)
  - (a) An advertisement for the sale of a vehicle for which a salvage certificate or branded title has been issued shall disclose that a salvage certificate or branded title has been issued for the vehicle.
  - (b)
    - (i) Except as provided in Subsection (3)(b)(ii), an advertisement for a vehicle declared a total loss by an insurance company shall disclose that the vehicle has been declared a total loss by an insurance company.
    - (ii) A vehicle that has been stolen, recovered, and declared a total loss by an insurance company but does not meet the definition of a salvage vehicle is exempted from the advertising requirement described in Subsection (3)(b)(i).
    - (iii) Subsections (3)(a), (3)(b)(i), and (3)(b)(ii) do not apply to a motor vehicle auction or a consigner to a motor vehicle auction if no disclosure is required under Section 41-1a-1005.3.
  - (c) The advertisement disclosure under Subsection (3)(a) or (b)(i) shall:
    - (i) be displayed at least as prominently as the description of the advertised vehicle is displayed; and
    - (ii) if a salvage certificate or branded title has been issued or the vehicle has been declared a total loss by an insurance company:

- (A) use the words "salvage certificate" or "branded title" in the advertisement; or
- (B) use the words "insurer declared total loss."

Amended by Chapter 267, 2020 General Session

**41-1a-1005 Salvage vehicle -- Declaration by insurance company -- Surrender of title -- Salvage certificate of title -- Nonrecovered vehicles.**

- (1)
  - (a)
    - (i) Except as provided in Subsection (1)(a)(iii) or (iv), if an insurance company declares a vehicle a salvage vehicle and takes possession of the vehicle for disposal, the insurance company shall within 10 days after the day on which settlement of the loss occurs, surrender to the division the outstanding certificate of title, properly endorsed, or other evidence of ownership acceptable to the division.
    - (ii) After receiving the documents described in Subsection (1)(a)(i), the division shall issue a salvage certificate in the insurance company's name.
    - (iii) The division shall issue a salvage certificate in an insurance company's name no sooner than 30 days after the day on which the settlement of the loss occurs if the insurance company:
      - (A) declares a vehicle a salvage vehicle;
      - (B) issues settlement payment to the registered owner of the vehicle;
      - (C) has contacted the owner of the vehicle at least two times requesting certificate of title or other evidence of ownership acceptable to the division and the owner has not responded to the requests; and
      - (D) has presented the division evidence of the settlement and evidence that the insurance company has complied with the requirements of this Subsection (1)(a)(iii) on a form prescribed by the division.
    - (iv) The division shall issue a salvage certificate in an insurance company's name no sooner than 30 days after the day on which the division receives an improperly endorsed certificate of title if the insurance company:
      - (A) declares a vehicle a salvage vehicle;
      - (B) has contacted the owner of the vehicle at least two times requesting correction of the improperly endorsed certificate of title and the owner of the vehicle has not responded to the requests; and
      - (C) has presented the division evidence of the settlement, the improperly endorsed certificate of title, and evidence that the insurance company has complied with the requirements of this Subsection (1)(a)(iv) on a form prescribed by the division.
    - (v) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the division shall make rules establishing the requirements for an insurance company to prove that the insurance company has complied with the requirements of Subsection (1)(a)(iii) or (iv) to receive a salvage certificate.
  - (b)
    - (i) If the owner of a salvage vehicle retains possession of the vehicle, the insurance company shall within 10 days after the day on which settlement of the loss occurs notify the division of the retention on a form prescribed by the division.
    - (ii) The insurance company shall notify the owner of the vehicle of the owner's responsibility to comply with this section.

- (iii) The owner shall within 10 days after the day on which settlement of the loss occurs surrender to the division the properly endorsed certificate of title or other evidence of ownership acceptable to the division.
  - (iv) The division shall then issue a salvage certificate in the owner's name.
- (c)
- (i) When a salvage vehicle is not the subject of an insurance settlement, a self-insurer or an owner who is uninsured shall within 10 days after the day on which the motor vehicle is damaged surrender to the division the properly endorsed certificate of title or other evidence of ownership acceptable to the division.
  - (ii) After receiving the documents described in Subsection (1)(c)(i), the division shall issue a salvage certificate in the owner's name.
- (d)
- (i) If a dealer licensed under Title 41, Chapter 3, Part 2, Licensing, takes possession of any salvage vehicle for which there is not already issued a branded title or salvage certificate from the division or another jurisdiction, the dealer shall within 10 days after the day on which the dealer takes possession of the vehicle surrender to the division the certificate of title or other evidence of ownership acceptable to the division.
  - (ii) After receiving the documents described in Subsection (1)(d)(i), the division shall issue a salvage certificate in the applicant's name.
- (2) Any person, insurance company, or dealer licensed under Title 41, Chapter 3, Part 2, Licensing, who fails to obtain a salvage certificate as required in this section or who sells a salvage vehicle without first obtaining a salvage certificate is guilty of a class B misdemeanor.
- (3) This section does not apply to a vehicle:
- (a) that has an undamaged, wholesale value of \$2,000 or less; or
  - (b) if a salvage certificate has been issued by another state or jurisdiction for the salvage vehicle.
- (4) Upon sale or disposal of a salvage vehicle, the seller shall deliver to the purchaser the properly endorsed salvage certificate within 48 hours as required in Section 41-1a-1310, or if the seller is a dealer licensed under Title 41, Chapter 3, Part 2, Licensing, the dealer shall comply with Section 41-3-301.
- (5) Except as provided in Subsection (6), this part does not apply to a motor vehicle that has been stolen or taken without the consent of the owner until the motor vehicle has been recovered, and then it applies only if the motor vehicle is a salvage vehicle.
- (6)
- (a) An insurance company that pays a claim to the owner of a motor vehicle that is stolen and not recovered shall, within 10 days after the day on which settlement of the loss occurs, surrender to the division the outstanding certificate of title, properly endorsed, or other evidence of ownership acceptable to the division.
  - (b) After receiving the documents described in Subsection (6)(a), the division shall issue a certificate of title in the insurance company's name.
  - (c) An insurance company that pays a claim to the owner of a motor vehicle that is later recovered may sell the motor vehicle:
    - (i) with the certificate of title in the insurance company's name;
    - (ii) with a salvage certificate, if the recovered vehicle is a salvage vehicle; or
    - (iii) with a nonrepairable certificate, if the recovered vehicle is a nonrepairable vehicle.

Amended by Chapter 424, 2019 General Session

**41-1a-1005.3 Resale of salvage and total loss vehicles.**

- (1) A motor vehicle may not be offered, auctioned, sold, leased, transferred, or exchanged by an owner, that is not a manufacturer, dealer, motor vehicle auction, or consignor to a motor vehicle auction with the knowledge that it is a salvage vehicle or a total loss vehicle without prior written disclosure being given to any prospective purchaser.
- (2) For a disclosure required by Subsection (1), the following disclosure language shall be contained in each contract for sale or lease of a salvage vehicle to a purchaser or shall be contained in a form affixed to a contract, lease, bill of sale, or any other document that transfers title:

"THIS DISCLOSURE STATEMENT MUST BE GIVEN BY THE SELLER TO THE BUYER EVERY TIME THIS VEHICLE IS KNOWINGLY RESOLD WITH A SALVAGE CERTIFICATE OR TOTAL LOSS HISTORY

DISCLOSURE STATEMENT

Vehicle Identification Number (VIN)

Year:                      Make:                      Model:

SALVAGE OR TOTAL LOSS VEHICLE--NOT FOR RESALE WITHOUT DISCLOSURE WARNING: THIS VEHICLE HAS A SALVAGE OR TOTAL LOSS HISTORY WHICH MAY MATERIALLY AFFECT THE VALUE, SAFETY AND/OR CONDITION OF THE VEHICLE. BECAUSE OF ITS CONDITION THE MANUFACTURER'S WARRANTY OR SERVICE CONTRACT ON THIS VEHICLE MAY BE AFFECTED. THIS VEHICLE MAY NOT BE SAFE FOR OPERATION UNLESS PROPERLY REPAIRED. SOME STATES MAY REQUIRE AN INSPECTION BEFORE THIS VEHICLE IS REGISTERED. THE STATE OF UTAH MAY REQUIRE THIS VEHICLE TO BE PERMANENTLY BRANDED AS A REBUILT SALVAGE VEHICLE. OTHER STATES MAY ALSO PERMANENTLY BRAND THE CERTIFICATE OF TITLE. YOU MAY ASK THE SELLER OF THE VEHICLE TO SEE A COPY OF THE NATIONAL MOTOR VEHICLE TITLE INFORMATION SYSTEM (NMVTIS) VEHICLE HISTORY REPORT. YOU MAY ALSO INDEPENDENTLY OBTAIN THE REPORT BY CHECKING NMVTIS ONLINE AT WWW.VEHICLEHISTORY.GOV.

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Signature of Purchaser

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Date"

Amended by Chapter 267, 2020 General Session

**41-1a-1005.5 Non-repairable vehicle -- Declaration by insurance company -- Surrender of title -- Nonrepairable certificate of title.**

- (1)
  - (a)
    - (i) Except as provided in Subsection (1)(a)(iii) or (iv), if an insurance company declares a vehicle as a nonrepairable vehicle and takes possession of the vehicle for disposal, the insurance company shall, within 10 days from the receipt of the title with any lien release, surrender to the division the outstanding certificate of title, properly endorsed, or other evidence of ownership acceptable to the division.
    - (ii) The division shall then issue a nonrepairable certificate in the insurance company's name.
    - (iii) The division shall issue a nonrepairable certificate in an insurance company's name no sooner than 30 days from the settlement of the loss if the insurance company:
      - (A) declares a vehicle a nonrepairable vehicle;
      - (B) issues settlement payment to the registered owner of the vehicle;

- (C) has contacted the owner of the vehicle at least two times requesting certificate of title or other evidence of ownership acceptable to the division and the owner has not responded to the requests; and
  - (D) has presented the division evidence of the settlement and evidence that the insurance company has complied with the requirements of this Subsection (1)(a)(iii) on a form prescribed by the division.
- (iv) The division shall issue a nonrepairable certificate in an insurance company's name no sooner than 30 days from the receipt of an improperly endorsed certificate of title if the insurance company:
- (A) declares a vehicle a nonrepairable vehicle;
  - (B) has contacted the owner of the vehicle at least two times requesting correction of the improperly endorsed certificate of title and the owner of the vehicle has not responded to the requests; and
  - (C) has presented the division evidence of the settlement, the improperly endorsed certificate of title, and evidence that the insurance company has complied with the requirements of this Subsection (1)(a)(iv) on a form prescribed by the division.
- (v) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the division shall make rules establishing the requirements for an insurance company to prove that it has complied with the requirements of Subsection (1)(a)(iii) or (iv) to receive a nonrepairable certificate.
- (b)
- (i) If the owner of a nonrepairable vehicle retains possession of the vehicle, the insurance company shall, within 10 days from the settlement of the loss, notify the division of the retention on a form prescribed by the division.
  - (ii) The insurance company shall notify the owner of the vehicle of the owner's responsibility to comply with this section.
  - (iii) The owner shall, within 10 days from the settlement of the loss, surrender to the division the properly endorsed certificate of title or other evidence of ownership acceptable to the division.
  - (iv) The division shall then issue a nonrepairable certificate in the owner's name.
- (c)
- (i) When a nonrepairable vehicle is not the subject of an insurance settlement, a self-insurer or an owner who is uninsured shall, within 10 days of the self-insurer's or owner's determination that a vehicle is non-repairable, surrender to the division the properly endorsed certificate of title or other evidence of ownership acceptable to the division.
  - (ii) The division shall then issue a nonrepairable certificate in the owner's name.
- (d)
- (i) If a dealer licensed under Chapter 3, Part 2, Licensing, takes possession of any nonrepairable vehicle for which there is not already issued a branded title or nonrepairable certificate from the division or another jurisdiction, the dealer shall, within 10 days, surrender to the division the certificate of title or other evidence of ownership acceptable to the division.
  - (ii) The division shall then issue a nonrepairable certificate in the applicant's name.
- (2) Any person, insurance company, or dealer licensed under Chapter 3, Part 2, Licensing, who fails to obtain a nonrepairable certificate as required in this section or who sells a nonrepairable vehicle without first obtaining a nonrepairable certificate from the division or a branded title or non-repairable vehicle certificate from another jurisdiction is guilty of a class B misdemeanor.

- (3) This section does not apply to a vehicle that has an undamaged, wholesale value of \$2,000 or less.
- (4) Upon sale or disposal of a nonrepairable vehicle, the seller shall deliver to the purchaser the properly endorsed nonrepairable certificate within 48 hours as required in Section 41-1a-1310.
- (5) This chapter does not apply to a motor vehicle that has been stolen or taken without the consent of the owner until the motor vehicle has been recovered, and then it applies only if the motor vehicle is a nonrepairable vehicle.
- (6) It is unlawful for a person to repair, reconstruct, or restore a nonrepairable vehicle.
- (7) A non-repairable vehicle may be sold to a crusher or as provided in Subsection 41-3-201(3).

Enacted by Chapter 390, 2012 General Session

**41-1a-1006 Vehicle damaged out-of-state -- Division to make a record.**

- (1) If a vehicle that is titled in this state is damaged in another state or jurisdiction but would require a salvage certificate in this state and the vehicle is not returned to the state, the owner of the vehicle must notify the purchaser and the division that if the vehicle is subsequently titled in Utah the certificate of title will be branded as a salvage vehicle.
- (2) The division shall make a record of the damage.

Renumbered and Amended by Chapter 1, 1992 General Session

Amended by Chapter 239, 1992 General Session

**41-1a-1008 Criminal penalty for violation.**

- (1) Except as provided in Subsection (2) or unless otherwise provided, it is a class A misdemeanor to knowingly violate Sections 41-1a-1001 through 41-1a-1006.
- (2) Any owner, who is not a manufacturer, dealer, motor vehicle auction, or consignor to a motor vehicle auction not licensed under Section 41-3-201, who knowingly or intentionally conceals, removes, destroys, or alters a disclosure statement or a certificate of title branded under Section 41-3-201 or Sections 41-1a-1004 through 41-1a-1005.3 is guilty of a:
  - (a) class A misdemeanor; or
  - (b) third degree felony if the person has previously been convicted two or more times of knowingly or intentionally concealing, removing, destroying, or altering a disclosure statement or a certificate of title branded under Section 41-3-201 or Sections 41-1a-1004 through 41-1a-1005.3.
- (3) Criminal penalties under this chapter are not exclusive, but are in addition to those under Section 76-6-525.
- (4) Each vehicle sold, offered for sale, or displayed for sale in violation of Section 41-1a-1005.3 shall be a separate offense.

Amended by Chapter 173, 2025 General Session

**41-1a-1008.5 Private cause of action.**

- (1) Any owner who is not a manufacturer, dealer, motor vehicle auction, or consignor to a motor vehicle auction not licensed under Section 41-3-201 and who violates Section 41-1a-1005.3 is liable to the purchaser for:
  - (a) actual damages if the purchaser elects to retain the salvage vehicle, or the value of the consideration paid for the salvage vehicle if the purchaser elects rescission;
  - (b) the costs of the action and reasonable attorney fees;

- (c) up to three times the value of the actual damages or the consideration as exemplary damages; and
  - (d) other equitable relief, including rescission and restitution, the court determines to be proper in addition to damages and costs.
- (2) Actual damages include:
- (a) the difference between the actual market value of the salvage vehicle or nonconforming vehicle at the time of purchase and the contract price;
  - (b) towing;
  - (c) repair;
  - (d) storage expenses;
  - (e) rental of substitute transportation;
  - (f) food and lodging expenses;
  - (g) lost wages;
  - (h) finance charges;
  - (i) sales or use tax;
  - (j) other governmental fees;
  - (k) lease charges; and
  - (l) other incidental and consequential damages.
- (3) The remedies provided in this section are not exclusive but are in addition to any other remedies provided by law.

Enacted by Chapter 463, 2013 General Session

**41-1a-1009 Abandoned and inoperable vehicles, vessels, and outboard motors -- Determination by commission -- Disposal of vehicles.**

- (1) A vehicle, vessel, or outboard motor is abandoned and inoperable when:
- (a) the vehicle, vessel, or outboard motor has been inspected by an authorized investigator or agent appointed by the commission; and
  - (b) the authorized investigator or agent has made a written determination that the vehicle, vessel, or outboard motor cannot be rebuilt or reconstructed in a manner that allows its use as designed by the manufacturer or is a derelict vessel as defined in Section 73-18-2.
- (2)
- (a) Before issuing a written determination under Subsection (1), a signed statement is required from the purchaser of the vehicle, vessel, or outboard motor for salvage, identifying the vehicle, vessel, or outboard motor by identification number and certifying that the inoperable vehicle, vessel, or outboard motor will not be rebuilt, reconstructed, or in any manner allowed to operate as designed by the manufacturer.
  - (b) The operator of the junk or salvage yard disposing of an inoperable vehicle, vessel, or outboard motor is required to keep copies of the signed statements and other written records required by the commission.
- (3) Upon a determination that a vehicle, vessel, or outboard motor is inoperable and cannot be rebuilt or reconstructed, the vehicle, vessel, or outboard motor may be converted to scrap or otherwise disposed of without necessity of compliance with the requirements of Sections 41-1a-1010 and 41-1a-1011.

Amended by Chapter 386, 2011 General Session



**41-1a-1010 Permit required to dismantle vehicle -- Duties upon receiving the permit --**

**Exceptions.**

- (1)
  - (a) A person may not scrap, dismantle, destroy, or otherwise change any vehicle so that it loses its character, until the person submits to the division:
    - (i) the certificate of title for the vehicle for cancellation; and
    - (ii) an application for a permit to dismantle the vehicle.
  - (b) Upon approval of the application, the division shall issue a permit to dismantle the vehicle.
- (2) Except as provided in Subsection (3), if a permit to dismantle is issued under this section, the vehicle shall be destroyed and may not be rebuilt or reconstructed and may not be retitled or registered.
- (3) A vehicle for which a permit to dismantle has been issued by the division may be retitled and the permit to dismantle rescinded if:
  - (a) prior to receiving a dismantling permit the vehicle had a Utah certificate of title;
  - (b) the vehicle has not been dismantled;
  - (c) an investigator for the Motor Vehicle Enforcement Division of the commission determines after a physical inspection of the vehicle that it is the same vehicle for which the permit to dismantle was issued; and
  - (d) the applicant pays the fee under Subsection (4).
- (4) The commission may collect a fee established in accordance with Section 63J-1-504 to cover the expenses of an inspection under Subsection (3).

Amended by Chapter 183, 2009 General Session

**41-1a-1011 Use of dismantling permit.**

The permit to dismantle issued under Section 41-1a-1010:

- (1) requires the owner to dismantle the vehicle described in the permit unless the vehicle is retitled as provided in Subsection 41-1a-1010(3); and
- (2) entitles the owner of the vehicle to transport the vehicle to the place of business of a dismantler, crusher, or salvage dealer licensed under the provisions of Title 41, Chapter 3, Part 2, Licensing.

Amended by Chapter 210, 1993 General Session

**41-1a-1012 Destruction or change of vessel or outboard motor -- Cancellation of certificate of title.**

Within 15 days after a vessel or outboard motor is scrapped, dismantled, destroyed, or changed so that it loses its character as a vessel or outboard motor, the title holder to the vessel or outboard motor shall mail or deliver the certificate of title to the division for cancellation.

Renumbered and Amended by Chapter 1, 1992 General Session