

## Damage Disclosure

### When does a vehicle need to have a damage disclosure?

Any car, pickup, truck, and motorcycle that is less than 9 years old with a ND title must have a [SFN 18609 Damage Disclosure](#) form completed by the seller when the vehicle is transferred.

| <u>Year of Purchase</u> | <u>Year Model</u> |
|-------------------------|-------------------|
| 2007                    | 2000 & Newer      |
| 2008                    | 2001 & Newer      |
| 2009                    | 2002 & Newer      |
| 2010                    | 2003 & Newer      |
| 2011                    | 2004 & Newer      |

### What is “body damage”?

“Motor vehicle body damage” means a change in the body or structure of the motor vehicle usually resulting from a crash or accident, fire, vandalism weather (not including wind or hail damage) or submersion in water.

### How much damage does there have to be before it is required to be disclosed?

Damage that equals or exceeds the greater of \$8,000 or 40% of the pre-damage retail value of the motor vehicle as determined by the National Automobile Dealers Association Official Used Car Guide must be disclosed. This does not include body or structural modifications, normal wear and tear, glass damage, hail damage, or items of normal maintenance and repair.

If the damage is more than 75% of the pre-damage retail value, a Salvage Certificate of Title will be issued.

### How is the dollar amount of the damage determined?

The amount of damage to a motor vehicle is determined by adding the retail value of all labor parts and material used in repairing the damage. When the retail value of labor has not been determined it is presumed to be the repair time as provided in a generally accepted auto body repair flat rate manual multiplied by \$35.00.

### Are there exceptions to the damage disclosure law?

Yes. A damage disclosure is not required for hail or wind damage or on the following transactions:

- 1) A title transfer into ND from out-of-state when there is no ownership change.
- 2) A title transfer when one existing owner is retained.
- 3) A repossession if the ownership is being transferred to the lienholder.
- 4) A change of name by marriage or divorce.

**Can a “previously damaged” brand be removed from the title?**

Yes. If the vehicle is more than 9 years old a “previously damaged” brand can be removed for a \$5.00 fee if you can prove there is no prior “salvage” history. If the ND title was issued from an out-of-state title that had been previously branded, ND DOT **will not** remove the brand.

**If my vehicle has a brand from another state will I receive a branded title from ND?**

Yes.

**Are there any branded titles that ND will not accept?**

Yes. ND will not accept titles for vehicles from any state or foreign country that are branded “junk”, “un-repairable”, “non-re-buildable” or any other similar notations. These vehicles will not be titled or registered in ND.

**What forms are used for a damage disclosure?**

A [SFN 18609 Damage Disclosure Statement](#) or an [SFN 2872 Application for Certificate of Title and Registration of a Motor Vehicle](#) can be used to disclose damage.

**When is a vehicle branded as “salvage”?**

A vehicle must be branded as “salvage” when it has had damage that is in excess of 75% of the pre-damaged retail value according to the National Automobile Dealers Association Official Used Car Guide.

**If my insurance company has declared my vehicle to be a “total loss” or “salvage” what happens?**

The original title for that vehicle must be returned to the Motor Vehicle Division within 10 days and the division will issue a salvage title for a fee of \$5.00.

**If you are still operating the vehicle** you must have it inspected by the N.D. Highway Patrol. Submit the completed [SFN 2486 Vehicle Inspection](#) form with your original title and a \$5.00 title fee. We will issue a title branded “Previously Salvaged” and you may continue to use the same plates and registration card that were previously issued.

**If you are no longer operating the vehicle** you may complete an [SFN 2889 Affidavit of Refund on a Permanently Destroyed Vehicle](#). Return the completed affidavit to our division along with the original title, plates, decals, and registration card to obtain a partial refund of license fees and a salvage title. The refund will consist of the remaining unused portion of your license fees less a \$5.00 title fee.