

1 AN ACT regarding vehicles.

2 Be it enacted by the People of the State of Illinois,
3 represented in the General Assembly:

4 Section 5. The Illinois Vehicle Code is amended by
5 changing Section 3-112 as follows:

6 (625 ILCS 5/3-112) (from Ch. 95 1/2, par. 3-112)
7 Sec. 3-112. Transfer.

8 (a) If an owner transfers his or her interest in a
9 vehicle, other than by the creation of a security interest,
10 at the time of the delivery of the vehicle he or she shall
11 execute to the transferee an assignment and warranty of title
12 in the space provided on the certificate of title, or as the
13 Secretary of State prescribes, and cause the certificate and
14 assignment to be mailed or delivered to the transferee or to
15 the Secretary of State.

16 If the vehicle is subject to a tax under the Mobile Home
17 Local Services Tax Act in a county with a population of less
18 than 3,000,000, the owner shall also provide to the
19 transferee a certification by the treasurer of the county in
20 which the vehicle is situated that all taxes imposed upon the
21 vehicle for the years the owner was the actual titleholder of
22 the vehicle have been paid. The transferee shall be liable
23 only for the taxes he or she incurred while he or she was the
24 actual titleholder of the mobile home. The county treasurer
25 shall refund any amount of taxes paid by the transferee that
26 were imposed in years when the transferee was not the actual
27 titleholder. The provisions of this amendatory Act of 1997
28 (P.A. 90-542) apply retroactively to January 1, 1996. In no
29 event may the county treasurer refund amounts paid by the
30 transferee during any year except the 10 years immediately
31 preceding the year in which the refund is made. If the owner

1 is a licensed dealer who has purchased the vehicle and is
2 holding it for resale, in lieu of acquiring a certification
3 from the county treasurer he shall forward the certification
4 received from the previous owner to the next buyer of the
5 vehicle. The owner shall cause the certification to be
6 mailed or delivered to the Secretary of State with the
7 certificate of title and assignment.

8 (b) Except as provided in Section 3-113, the transferee
9 shall, promptly and within 20 days after delivery to him of
10 the vehicle and the assigned title, execute the application
11 for a new certificate of title in the space provided therefor
12 on the certificate or as the Secretary of State prescribes,
13 and cause the certificate and application to be mailed or
14 delivered to the Secretary of State.

15 (c) Upon request of the owner or transferee, a
16 lienholder in possession of the certificate of title shall,
17 unless the transfer was a breach of his security agreement,
18 either deliver the certificate to the transferee for delivery
19 to the Secretary of State or, upon receipt from the
20 transferee of the owner's assignment, the transferee's
21 application for a new certificate and the required fee, mail
22 or deliver them to the Secretary of State. The delivery of
23 the certificate does not affect the rights of the lienholder
24 under his security agreement.

25 (d) If a security interest is reserved or created at the
26 time of the transfer, the certificate of title shall be
27 retained by or delivered to the person who becomes the
28 lienholder, and the parties shall comply with the provisions
29 of Section 3-203.

30 (e) Except as provided in Section 3-113 and as between
31 the parties, a transfer by an owner is not effective until
32 the provisions of this Section and Section 3-115 have been
33 complied with; however, an owner who has delivered possession
34 of the vehicle to the transferee and has complied with the

1 provisions of this Section and Section 3-115 requiring action
2 by him as not liable as owner for any damages thereafter
3 resulting from operation of the vehicle.

4 (f) The Secretary of State shall not process any
5 application for a transfer of an interest in a vehicle if any
6 fees or taxes due under this Act from the transferor or the
7 transferee have not been paid upon reasonable notice and
8 demand.

9 (g) If the Secretary of State receives an application
10 for transfer of a vehicle subject to a tax under the Mobile
11 Home Local Services Tax Act in a county with a population of
12 less than 3,000,000, such application must be accompanied by
13 the required certification by the county treasurer or tax
14 assessor authorizing the issuance of the title.

15 (Source: P.A. 92-651, eff. 7-11-02.)