

## Tax Exemptions

### **How do I transfer ownership of a vehicle as a gift from (wife, husband, parent, child, brother, sister, grandparent and grandchild)?**

- Part 1 (Seller's Assignment & Warranty of Title) must be signed and dated by owner(s) as shown on the front of the title. Legal name and address of new owner (buyer) must be typed or printed legibly. Odometer information required on all motor vehicles less than ten (10) years old, with buyer's signature, printed name, and date.
- Part 3 (Purchaser's Certification and Application) must be completed and signed by new owner with tax exemption and lienholder information, if applicable.
- If vehicle is less than nine (9) years old [SFN 18609 Damage Disclosure Statement](#) must be completed by the seller.
- Title transfer fee is \$5.

### **How do you remove a name from a North Dakota title when it is in two names or if one owner is deceased?**

- Part 1 (Seller's Assignment & Warranty of Title) must be signed and dated by owner(s) as shown on the front of the title. Legal name and address how new title is to read as buyer. Odometer information required on all motor vehicles less than ten (10) years old, with buyer's signature, printed name, and date.
- Part 3 (Purchaser's Certification and Application) must be completed and signed by new owner with tax exemption and lienholder information, if applicable.
- Title transfer fee is \$5.

### **I have recently inherited a vehicle how do I change names on the title?**

- Part 1 (Seller's Assignment & Warranty of Title) must be signed and dated by Personal Representative for the deceased as shown on the front of the title. Complete legal name and address how new title is to read as buyer. Odometer information required on all motor vehicles less than ten (10) years old, with buyer's signature, printed name, and date.
- We must have a copy of the Personal Representative papers to allow that individual to sign for the deceased.
- Part 3 (Purchaser's Certification and Application) must be completed and signed by new owner with tax exemption and lienholder information, if applicable. However, **PURCHASES** from an estate are subject to tax.
- If vehicle is less than nine (9) years old [SFN 18609 Damage Disclosure Statement](#) must be completed by the seller.
- Title transfer fee is \$5.

**I was recently married how do I change my name on the title?**

- Part 1 (Seller's Assignment & Warranty of Title) must be signed and dated with owner(s) name as shown on the front of the title. Complete legal name and address of "buyer(s)" as it is to appear on the new title. Odometer information required on all motor vehicles less than ten (10) years old, with signature of "buyer(s)" and date.
- Part 3 (Purchaser's Certification and Application) must be completed and signed by the new "buyer(s)" with the tax exemption and lienholder information, if applicable.
- Title transfer fee is \$5.

**My vehicle was awarded me through a divorce. How can I obtain a title?**

- If the North Dakota title is in both names with the "or" conjunction the individual that is awarded the vehicle must complete Part 1 (Seller's Assignment & Warranty of Title). If the North Dakota title is in only one name, or in two names with the "and" conjunction and that individual did not sign off the title as seller, a copy of the divorce decree is required to complete this transfer.
- Part 1 (Seller's Assignment & Warranty of Title) must be signed and dated by owner as shown on face of title, legal name and address of individual awarded the vehicle must be typed or printed legibly, odometer information required on all motor vehicles less than ten (10) years old, with buyer's signature, printed name and date.
- Part 3 (Purchaser's Certification and Application) must be completed and signed by new owner with tax exemption and lienholder information, if applicable.
- If vehicle is less than nine (9) years old [SFN 18609 Damage Disclosure Statement](#) must be completed by the seller.
- Title transfer fee is \$5.

**How do I add/remove a lien on a North Dakota title?**

- Part 3 (Purchaser's Certification and Application) must be completed and signed by the registered owner with # 7 tax exemption marked and new lienholder information, if applicable.
- Odometer disclosures are required when changes are made on vehicles that are less than ten (10) years old.
- Title transfer fee is \$5.

**If I have purchased a vehicle and paid the taxes on my new vehicle in another state will I need to pay them again in North Dakota?**

If you have recently purchased a vehicle in another state, and taxes were paid to that state, we would require proof of tax paid to exempt you from North Dakota excise tax. If the vehicle was purchased outside of the United States there is no tax reciprocity. Taxes would be due on the purchase price (based on exchange) at a rate of 5%.

**I have recently bought out my lease how do I change the title to my name?**

- Part 1 (Seller's Assignment & Warranty of Title) must be signed and dated by owner(s) as shown on the front of the title. Legal name and address of new owner (buyer) must be typed or printed legibly. Odometer information required on all motor vehicles less than ten (10) years old, with buyer's signature, printed name, and date.
- Part 3 (Purchaser's Certification and Application) must be completed and signed by new owner with tax exemption, if lease was started prior to July 1, 2001, and lienholder information, if applicable.
- If lease was started after July 1, 2001, 5% taxes are due on the lease buyout amount. The buyout amount must be shown in this section along with the signature of the buyer.
- If vehicle is less than nine (9) years old [SFN 18609 Damage Disclosure Statement](#) must be completed by the seller.
- Title transfer fee is \$5.

**I have just moved to North Dakota how do I get a North Dakota title and license plates in my name?**

- [SFN 2872 Application for Certificate of Title & Registration of a Motor Vehicle](#) must be completed in full and signed by the owner.
- Out-of-state title must be submitted with completed application. If vehicle is financed we must have a completed application form, with name and mailing address of lienholder, loan account number, and copy of the out of state registration.
- If your vehicle is titled with Alaska, Delaware, Georgia, Montana, New Hampshire, Oregon, or any Canadian Province excise tax will be due on the current market value of the vehicle. Any motor vehicle excise, use, or sales tax paid at the time of purchase will be credited.
- License fees are based on the year and weight of the vehicle.
- Title transfer fee is \$5.
- Abandoned Disposal fee is \$1.50.

**I am a North Dakota dealer and have a title that is completely full. How can I get a title in my dealership name?**

- If you have a full North Dakota title with last transfer to the dealership we will require the Part 3 (Purchaser's Certification and Application) completed with tax exemption # 11 or # 12 and signature by agent for dealership.
- If you have a full out-of-state title with the last transfer assigned to the dealership, we will require an [SFN 2872 Application for Certificate of Title & Registration of a Motor Vehicle](#) completed in full, signed by an agent for the dealership, and submitted with the title fee of \$5.
- If vehicle is less than nine (9) years old [SFN 18609 Damage Disclosure Statement](#) must be completed by the seller.

**I am an enrolled tribal member. Do I have to pay taxes when I purchase a vehicle?**

- The sale of a motor vehicle to an American Indian is not subject to motor vehicle excise tax when the purchase occurs on the Indian reservation or when the vehicle is DELIVERED to the Indian reservation on which the American Indian is an enrolled member.
- The sale of a motor vehicle at any location within this state to an American Indian who resides within the boundaries of any reservation in this state and who is an enrolled member of a federally recognized Indian tribe.
- There is **NO** exception in the Motor Vehicle excise tax law for an American Indian leasing a motor vehicle. All motor vehicles leased to an American Indian are subject to motor vehicle excise tax. Leased motor vehicles are owned and titled in the name of the leasing company and not the American Indian.
- [SFN 18085 Tribal Claim for Tax Exemption](#) must be completed in full and signed.

**I am a disabled veteran what will I need to obtain the DAV license plates and tax exemption?**

A signed letter from The Department of Veteran Affairs office certifying the applicant is 100 percent service related disabled, or unemployability, or attesting eligibility under Public Law 663 of the 79<sup>th</sup> Congress.

**How do I obtain a North Dakota title for a homemade trailer?**

- You will be required to obtain an identification number, VIN number. [SFN 60467 Application for North Dakota Assigned Vehicle Identification Number \(VIN\)](#) must be made at any motor vehicle location.
- The identification number, VIN number must be stamped in a designated place verified by a business registered and in good standing with the Secretary of State and offer motor vehicle repair to the public with a [SFN 2486 Certificate of Vehicle Inspection](#) completed. Contact a local qualified business to make an appointment for this inspection.
- [SFN 2872 Application for Certificate of Title & Registration of a Motor Vehicle](#) must be completed in full and signed by the owner.
- [SFN 2486 Certificate of Vehicle Inspection](#) completed by a business registered and in good standing with the Secretary of State and offer motor vehicle repair to the public.
- License fees due.
- Title transfer fee \$5.

**I have recently formed a partnership or corporation how do I transfer my titles into that company name?**

- Title transfers must be completed within 180 days from the effective date formed or incorporated. Title transfers submitted after the 180 days would

be taxable on the fair market value of the vehicle. <http://www.nd.gov/tax/>  
Vehicles transferred back to previous owner are exempt from tax.

- Part 1 (Seller's Assignment & Warranty of Title) must be signed and dated by owner(s) as shown on the front of the title. Legal name and address of new owner (partnership or corporation) must be typed or printed legibly. Odometer information required on all motor vehicles less than ten (10) years old, with buyer's signature, printed name, and date.
- Part 3 (Purchaser's Certification and Application) must be completed and signed by new owner with tax exemption and lienholder information, if applicable and date formed or incorporated.
- If vehicle is less than nine (9) years old [SFN 18609 Damage Disclosure Statement](#) must be completed by the seller.
- Title transfer fee \$5.

**I have recently dissolved my partnership or corporation how do I transfer my titles out of that company name?**

- Title transfers must be completed within 180 days from the effective date of the dissolution of the partnership or corporation. Title transfers submitted after the 180 days would be taxable on the fair market value of the vehicle. <http://www.nd.gov/tax/>
- Part 1 (Seller's Assignment & Warranty of Title) must be signed and dated by owner(s) as shown on the front of the title. Legal name and address of new owner (buyer) must be typed or printed legibly. Odometer information required on all motor vehicles less than ten (10) years old, with buyer's signature, printed name, and date.
- Part 3 (Purchaser's Certification and Application) must be completed and signed by new owner with tax exemption and lienholder information, if applicable and date of dissolution.
- If vehicle is less than nine (9) years old [SFN 18609 Damage Disclosure Statement](#) must be completed by the seller.
- Title transfer fee \$5.

**I recently registered my vehicle in North Dakota and then moved out of state. Can I get a refund on the unused portion of my registration?**

If you have moved out of state there is no refund on the unused portion of registration paid to North Dakota.

**I moved out of state and just received my renewal. What should I do?**

If you have moved out of state and have titled and licensed your vehicle in that state you may disregard and destroy the renewal notice received from our office.

**How much sales tax do I pay when I buy a vehicle?**

The tax laws impose an excise tax at the rate of 5% on all vehicles purchased either in or outside the State of North Dakota. The tax is payable to the Motor Vehicle Division at the time title application for the vehicle is made. The tax is

computed on the full purchase price less any trade-allowance. The vehicle traded in must be identified by year, make, and vehicle identification number. Manufacture rebates are not taxable in North Dakota.

**I am in the military and have just been assigned to North Dakota. How do I title and license my vehicle in North Dakota?**

- [SFN 2872 Application for Certificate of Title & Registration of a Motor Vehicle](#) must be completed in full and signed by the owner.
- Out-of-state title must be submitted with completed application. If vehicle is financed we must have a completed application form, with name and mailing address of lienholder, loan account number, and copy of the out of state registration.
- If vehicle is a brand new vehicle we will need the Certificate of Origin completed and signed by seller and buyer with the odometer disclosure completed, 5% excise tax will be due on the purchase price.
- If your vehicle is titled with Alaska, Delaware, Georgia, Montana, New Hampshire, Oregon, or any Canadian Province excise tax will be due on the current market value of the vehicle. Any motor vehicle excise, use, or sales tax paid at the time of purchase will be credited with proof of taxes paid.
- License fees are based on the year and weight of the vehicle.
- Title transfer fee is \$5.
- Abandoned Disposal Fee is \$1.50.

**I am in the military stationed overseas and have just been assigned to North Dakota. How do I title and license my vehicle in North Dakota?**

- [SFN 2872 Application for Certificate of Title & Registration of a Motor Vehicle](#) must be completed in full and signed by the owner.
- Out-of-state title (if titled) or Certificate of Origin must be submitted with completed application.
- If your vehicle is titled with Alaska, Delaware, Georgia, Montana, New Hampshire, Oregon, any Canadian Province, Certificate of Origin, or military registration certificate excise tax will be due on the current market value of the vehicle. Any motor vehicle excise, use, or sales tax paid at the time of purchase will be credited with proof of taxes paid.
- License fees are based on the year and weight of the vehicle.
- Title transfer fee is \$5.
- Abandoned Disposal Fee is \$1.50.

**I am a North Dakota resident for all purposes and I am currently stationed out of state. How do I title and license my vehicle in North Dakota?**

- [SFN 2872 Application for Certificate of Title & Registration of a Motor Vehicle](#) must be completed in full and signed by the owner.
- [SFN 17147 Military Claim for Tax Exemption](#) must be completed in full, signed by the qualified individual, and notarized.

- Out-of-state title or Manufactures Certificate of Origin must be submitted with completed application.
- License fees are based on the year and weight of the vehicle.
- Title transfer fee is \$5.
- Abandoned Disposal Fee is \$1.50.

**I was deployed and am now returning to North Dakota, my vehicle has been in storage and I would like to take it out of storage. What will I need to do to renew my North Dakota registration for this vehicle?**

- [SFN 2872 Application for Certificate of Title & Registration of a Motor Vehicle](#) must be completed in full and signed by the owner.
- A note is required from the registered owner stating that they were deployed overseas, the vehicle was in storage, and the date the registered owner has returned to North Dakota.
- License fees will be prorated from the date of return to the anniversary month assigned to that vehicle.