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State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH SESSION

H. F. No. 2975

03/28/2012 Authored by Carlson

The bill was read for the first time and referred to the Committee on Transportation Policy and Finance

1.1 A bill for an act
1.2 relating to motor vehicles; providing for transfer-on-death of title to motor
1.3 vehicle; proposing coding for new law in Minnesota Statutes, chapter 168A.
1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. 168A.125 TRANSFER-ON-DEATH OF TITLE TO MOTOR
1.6 VEHICLE.

1.7 Subdivision 1. Titled as transfer-on-death. A motor vehicle may be titled in
1.8 transfer-on-death or TOD form by including in the certificate of title a designation of a
1.9 beneficiary or beneficiaries to whom the motor vehicle must be transferred on death of
1.10 the owner or the last survivor of joint owners with rights of survivorship, subject to the
1.11 rights of all secured parties.

1.12 Subd. 2. Designation of beneficiary. A motor vehicle is registered in
1.13 transfer-on-death form by designating on the certificate of title the name of the owner
1.14 and the names of joint owners with identification of rights of survivorship, followed by
1.15 the words "transfer-on-death to (name of beneficiary or beneficiaries)." The designation
1.16 "TOD" may be used instead of "transfer-on-death." A title in transfer-on-death form is
1.17 not required to be supported by consideration, and the certificate of title in which the
1.18 designation is made is not required to be delivered to the beneficiary or beneficiaries in
1.19 order for the designation to be effective.

1.20 Subd. 3. Interest of beneficiary. The transfer-on-death beneficiary or beneficiaries
1.21 shall have no interest in the motor vehicle until the death of the owner or the last survivor
1.22 of the joint owners with right of survivorship. A beneficiary designation may be changed
1.23 at any time by the owner or by all joint owners with rights of survivorship, without the

2.1 consent of the beneficiary or beneficiaries, by filing an application for a new certificate of
2.2 title.

2.3 Subd. 4. **Vesting of ownership in beneficiary.** Ownership of a motor vehicle
2.4 titled in transfer-on-death form shall vest in the designated beneficiary or beneficiaries on
2.5 the death of the owner or the last of the joint owners with right of survivorship, subject
2.6 to the rights of all secured parties. The transfer-on-death beneficiary or beneficiaries
2.7 who survive the owner may apply for a new certificate of title to the motor vehicle upon
2.8 submitting proof of the death of the owner of the motor vehicle. If no transfer-on-death
2.9 beneficiary or beneficiaries survive the owner of a motor vehicle, the motor vehicle must
2.10 be included in the probate estate of the deceased owner. A transfer of a motor vehicle to a
2.11 transfer-on-death beneficiary or beneficiaries is not a testamentary transfer.

2.12 Subd. 5. **Rights of creditors.** This section does not limit the rights of any secured
2.13 party or creditor of the owner of a motor vehicle against a transfer-on-death beneficiary or
2.14 beneficiaries.