

REFUNDS OF VEHICLE REGISTRATION FEES

Notice #08-19

Vehicle Title and Registration Notice

September 2008



Highlights

➤ *Vehicle registration fees may be refunded only in certain situations allowed by statute*

➤ *Generally, refunds may only be made to the person named on the certificate of registration*



References:

T.C.A. § 55-4-101
T.C.A. § 55-6-102

INTRODUCTION

This notice is intended to provide county clerks, automobile dealers and the general public with information concerning refunds of motor vehicle registration fees.

Generally, once the fees to register a motor vehicle are paid and the license plate and decal are issued, the plate and decal cannot be returned to the county clerk or to the Department of Revenue for a refund. This notice clarifies when a refund may be allowed and provides examples of situations where refunds are not permitted.

DISCUSSION

Tenn. Code Ann. §§ 55-6-102 and 55-4-101(h)(1) provide the following causes under which the fee paid for registration of a motor vehicle **may be refunded**:

1. When an application for registration is refused or rejected by the Department of Revenue or the county clerk, the registration fee paid may be refunded.
2. If the Department of Revenue or the county clerk erroneously collects a registration fee that is not required to be paid, the fee may be refunded if a claim for refund is made within six months from the date of payment.
3. If the Department of Revenue declines to issue a certificate of title, but the motor vehicle has already been registered, a refund may be made within five days from the applicant's receipt of a formal notice of the application's rejection. The certificate of registration and the license plate issued must be surrendered to the issuing county clerk. However, no refund is available for a license plate provided without cost to an employee of a governmental entity, the cost being paid by the governmental entity under Tenn. Code Ann. § 55-4-207.
4. If a commercial carrier, operating only in Tennessee, obtains a county registration certificate and license plate, and later purchases an apportioned registration plate for operation in another state, a refund or credit can be given. The refund or credit can be given for the amount of time left on the Tennessee county plate, less \$10.00 (the clerk's fee).

A refund of registration fees that falls within one of the four statutory causes outlined above may only be made to the person in whose name the certificate of registration was issued. A motor vehicle dealer that has secured a power of attorney from its customer to register a motor vehicle in the customer's name and has paid the registration fees and purchased a license plate and/or decal for the vehicle, may obtain a refund only if:

1. The refund claim falls within one of the four statutory causes outlined above; **and**
2. The motor vehicle dealer presents a power of attorney, executed by the person in whose name the vehicle's registration certificate was issued, that specifically authorizes the dealer to obtain a refund of the registration fees paid; **and**

For more information, call toll free 1-888-871-3171
Nashville area and out-of-state call (615) 741-3101
Email: Email.T&R@state.tn.us

➤ *Examples of unauthorized refunds*

3. The vehicle's registration certificate, license plate and decal purchased are returned to the Department of Revenue or the county clerk.

The following three situations **do not** qualify for refunds:

1. A dealer registers a motor vehicle in the name of its customer, but, for whatever reason, the sale does not go through.
2. A dealer registers a motor vehicle in the name of its customer, but the customer returns the vehicle to the dealer for a refund or credit. No refund is authorized, even if the refund or credit given by the dealer includes the fees paid to register the vehicle in the customer's name.
3. A dealer sells a motor vehicle, but, for whatever reason, the dealer repossesses the vehicle.

Additional Information:

➤ *Assistance is available from Revenue if you have questions*

For more information regarding vehicle registration in Tennessee, please call our vehicle services call center at 888/871-3171 or 615/741-3101. Assistance for county clerks is available by contacting Revenue's county clerk support staff - Billy Trout (615/741-4177), Kathy Duncan (615/532-6908), or Belinda Boddie (615/253-4073). More information is available on our Web site, www.Tennessee.gov/revenue.



References:

T.C.A. § 55-4-101
T.C.A. § 55-6-102

The information provided here is current as of the date of publication but may change as a result of new statutes, regulations, or court decisions. While this notice is intended to be comprehensive, events and situations unanticipated by this notice may occur. In such cases, you should contact the department for further guidance.